



# ***JPRS Report—***

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# **Near East & South Asia**

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# Near East & South Asia

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27 June 1991

**NOTICE TO READERS:** Effective 1 July 1991, items that have previously appeared in the JPRS REPORT: NEAR EAST & SOUTH ASIA under Armenian Affairs will now be published in the FBIS REPORT: SOVIET UNION: REPUBLIC AFFAIRS report.

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**Gibraltar Residents Protest 'Spanish Blockade'**  
*91AA0417C Rabat AL-'ALAM in Arabic 24 May 91 p 1*

[Article by Abdessalam Echaawi]

[Text] Tangier—The Spanish blockade imposed since the night of 15 May 1991 on the Moroccan community in Gibraltar has created a number of difficulties and constraints for Moroccan citizens, leading them to organize a protest march last Friday. The march started from the place of residence and moved to the border point (La Firga) separating Gibraltar and Spanish La Linea. It was followed by daily waves of human sit-ins on the border between Spain and Gibraltar. The protest march—in which about 3,000 citizens participated, who were supported by Spanish unions, including the General Union, the labor committees, the local union, Gibraltar authorities, and the Spanish and English media—strongly affected the sentiments of all of those who experienced it or followed it in the media, except the Spanish authorities. The latter remain determined to prevent the passage of Moroccans from Gibraltar to Green Island [al-Jazirah al-Khadra'], which is on the way to Tangier or Tetouan, unless they obtain a visa from Tangier or Tetouan, on the pretext of the Spanish authorities' nonrecognition of the existing government in Gibraltar.

Representatives of the workers in Gibraltar held a number of meetings with responsible Moroccan, Gibraltar, English, and Spanish official agencies in an attempt to end the blockade and the isolation of 3,000 citizens, who are connected by family ties to thousands of families in Tangier, Tetouan, Kenitra, Chechaouene, Asilah, and Larache, Ksar El Kebir, and other areas of northern Morocco.

The Moroccan authorities intervened diplomatically. However, their efforts failed in the face of Spain's position, which hardened, with the exception of a decision to reopen the maritime route between Gibraltar [as published], by [allowing] two trips per week on a small boat that carries only passengers, while the transport of users of private cars is still pending the establishment of a land route between La Firga and Green Island, or the assignment of a medium-sized boat to carry passengers and cars together, as was done in the past. The Spanish blockade imposed on our brothers in Gibraltar requires the Moroccan Government to adopt a more active position with the Spanish authorities, who seem to be determined to strangle the Moroccans in the name of a visa.

## REGIONAL AFFAIRS

### Public Opinion Poll on Future of Arab World

91AA0398A Cairo AL-AHRAM AL-DUWALI in Arabic  
23, 24 May 91

[Answers from readers in Egypt and other Arab countries to questions published in both AL-AHRAM and AL-AHRAM AL-DUWALI on 12 April 1991. The deadline for responses was 10 May 1991.]

[23 May p 3]

[Text] The results of the first Arab public opinion poll conducted by AL-AHRAM provided important indicators of Arab public opinion regarding the shaping of the nation's future. Without trying to preempt the detailed results, we note that the recent crisis in the Gulf, which has cast a shadow on the Arab countries, did not cause the Arab peoples to lose their self-confidence and faith in Arab nationalism. On the contrary, they have become more sensitive to the danger. Of those polled, 56 percent believe that the only hope lies with true democratic governments in every Arab country; 60.4 percent see a need for a joint Arab military force; 83 percent see a need to amend the Arab League Charter, so that the League's resolutions become binding and violators are held accountable, and a need to establish an Arab court of justice to decide conflicts and an Arab parliament; 42.5 percent are optimistic about the Arab future, compared to 4.6 percent who are pessimistic; 42.8 percent see a need for concern with culture and information to unify thinking and attitudes; 52.3 percent call for the application of the Islamic Shari'ah; and 49.4 percent believe that the solution to the Palestinian problem lies in the establishment of a Palestinian state in the West Bank (including Jerusalem) and Gaza and recognition of Israel.

The public opinion poll conducted by AL-AHRAM contained important results. However, before mentioning them, we will make several observations:

1. About 5,500 [questionnaire] forms had been returned to AL-AHRAM by the evening of 10 May, which was the deadline for responses. About 500 forms were excluded, because they were unclear or contained commentaries and erasures that made them illegible. Thus, we submitted 5,000 forms to the Amak Computer Center at AL-AHRAM, so that the computer could process them and derive the results without human intervention. The computer excluded only three forms due to a lack of clarity, i.e., it processed 4,997 forms to derive the poll results.

We should mention that about 4,000 additional forms arrived after 10 May from Egypt and the other Arab countries. However, unfortunately, we could not include them in the first group out of deference to the original deadline.

2. It should be noted that Arab public opinion is unaccustomed to being polled. Some deface and void questionnaire forms, some doubt the credibility of poll results, and some imagine that the government is behind the poll. An opposition party newspaper—we presume its editor-in-chief—stated that this poll is governmental. We do not know why this was said. If we were to accept such a theoretical assumption, despite its incorrectness, we would have to applaud the government for its desire to truly ascertain the public's opinion. What is wrong with that? In any case, it is not governmental, but rather a journalistic effort undertaken by a large journalistic organization that has previously—over the past 11 years to be exact—conducted public opinion polls and referendums regarding controversial issues and has published their results unaltered; moreover, it has held roundtable discussions to discuss these results freely and objectively!

3. If this is the situation in Egypt, the situation in the Arab countries is even more difficult. Due to the above-mentioned factor, as well as the irregular arrival of newspapers and a fear of openly declaring a free opinion in these countries, only 4 percent of the participants in the poll are from Arab countries, whereas 4,700 of the participants are Egyptian citizens, either living in Egypt or working in another Arab country. Participants from the Arab countries thus totalled 197 persons. Other participants include 68 Arabs (1.4 percent) in the European countries and America and 22 persons (0.6 percent) who did not state their nationality. Lebanon, Somalia, and Djibouti had the smallest number of participants (three each), compared to Mauritania with four, Tunisia with five, Iraq with six (residing outside Iraq), Bahrain, Jordan, and Yemen, each with seven, the Sultanate of Oman with eight, Qatar with nine, the United Arab Emirates [UAE] and Algeria with 10 each, Syria and Palestine with 11 each, Sudan with 12, Libya with 14, Kuwait and Morocco with 16 each, and Saudi Arabia with 35.

Thus, although it is difficult to say whether the opinions of the participants from these countries represent the thinking in them, they do provide an important indication of trends in them.

4. It is important to mention the cultural, economic, and social levels of the participants in the poll.

However, this is not possible given the participants' lack of a desire to state such information. In general, it can be said, scientifically and without exaggeration, that the participants, especially those from Egypt, represent all groups, including students, youths, government employees, businessmen, clerics, university professors, information professionals and others. Regarding the age composition of the sample: 432 (8.6 percent) are under 20, and 1,467 (29.4 percent) are between 20 and 30, i.e., 1,899 (38 percent) of the respondents are under 30; 1,768 (35.3 percent) are between 30, and 40, 329 (6.5 percent) are between 50 and 60, i.e., 2,097 (32.8 percent) are between 30 and 60.

Also included in the poll are 211 persons (4.2 percent) over 60, 790 (15.8 percent) who did not clarify their ages, and seven individuals over 80, including two who are 80, three who are 81, one who is 82, and one who is 84.

It can thus be said that, in general, this random sample includes three almost equal age groups. One third of the sample comprises youths who own the future and have new ideas, a third comprises mature men who are responsible for business and leadership groups, and a third comprises elderly persons with experience and wisdom.

5. Finally, we note that, as we review here the results of the poll to serve more profoundly and to expand dialogue, we open the door to discussion, commentary, and analysis by readers in Egypt and every Arab country. We will publish views that we receive (which will hopefully be civilized and clear) and will also organize a roundtable at AL-AHRAM to discuss the poll results with a number of figures to obtain clearer analyses and indicators.

Before presenting the results, it remains to be said that the poll, in its presentation of the Palestinian problem, presented the following options: "the need to establish a Palestinian state," "the only solution lies in changes in the PLO," and "it is a lost cause." These latter two choices do not express AL-AHRAM's view. Rather, they reflect what is maintained, so that public opinion can make a determination. Hence, no one opposes the cause, because it is our minds and hearts.

The public opinion poll includes eight intermeshed topics, all of which produce the texture of the Arab future now being shaped. In order to promote the participation of public opinion in the shaping of this texture, AL-AHRAM formulated 25 points which it presented to elicit opinions.

#### Systems of Government in the Arab Nation

1. Truly democratic governments are needed in each country:

This view was held by 56 percent of the participants in the poll. Regarding each country, the percentages of participants who agreed to this statement are as follows: Egypt, 54.9 percent; Syria, 63.6 percent; Saudi Arabia, 68.6 percent; Kuwait, 87.5 percent; the UAE, 90 percent; Bahrain, 71.4 percent; Qatar, 88.9 percent; the Sultanate of Oman, 87.5 percent; Sudan, 41.7 percent; Libya, 71.4 percent; Morocco, 81.3 percent; Tunisia, 60 percent; Algeria, 50 percent; Mauritania, 100 percent; Lebanon, 66.7 percent; Jordan, 58.7 percent; Palestine, 63.6 percent; Iraq, 100 percent; Yemen, 85.7 percent; Somalia, 100 percent; Djibouti, 100 percent; and Arabs living abroad, 83.8 percent.

2. The gradual application of democracy [is to be favored]:

Of the overall total, 13.6 percent held this opinion. Regarding each country, the percentages of participants who agreed to this statement are as follows: Egypt, 13.7 percent; Syria, 18.2 percent; Saudi Arabia, 20 percent; Kuwait, 6.3 percent; Bahrain, 14.3 percent; Qatar, 11.1 percent; the Sultanate of Oman, 12.5 percent; Sudan, 16.7 percent; Yemen, 28.6 percent; Somalia, 32.2 percent; and Arabs living abroad, 14.7 percent. This opinion was not stated by anyone from the other countries.

3. Each country has its circumstances:

This view was held by only 4.7 percent of the participants. Regarding each country, the percentages of participants who agreed to this statement are as follows: 4.9 percent from Egypt, 9.1 percent from Syria, 25 percent from Sudan, 7.1 percent from Libya, and 14.3 percent from Yemen. No response was obtained from anyone from the other countries or the Arabs abroad.

#### The Islamic Shari'ah

4. The application of the Islamic Shari'ah immediately:

This view was held by 42.3 percent of the total. On the level of each country, it was held by 43.2 percent from Egypt, 27.3 percent from Syria, 45.7 percent from Saudi Arabia, 62.5 percent from Kuwait, 60 percent from the UAE, 71.4 percent from Bahrain, no one from Qatar, 50 percent from the Sultanate of Oman, 25 percent from Sudan, 50 percent from Libya, 42.8 percent from Morocco, 80 percent from Tunisia, 70 percent from Algeria, 25 percent from Mauritania, 66.7 percent from Lebanon, 28.6 percent from Yemen, 23.3 percent from Somalia, 100 percent from Djibouti, and 11.8 percent of the Arabs residing abroad.

5. The application of the Shari'ah gradually:

This view was held by 27.6 percent of the participants. Regarding each country, the percentages of participants who agreed to this statement are as follows: 26.6 percent from Egypt, 67.6 percent from Syria, 42.9 percent from Saudi Arabia, 25 percent from Kuwait, 20 percent from the UAE, 28.6 percent from Bahrain, 77.8 percent from Qatar, 50 percent from the Sultanate of Oman, 50 percent from Sudan, 28.6 percent from Libya, 43.8 percent from Morocco, 20 percent from Tunisia, 30 percent from Algeria, 75 percent from Mauritania, no one from Lebanon, 14.3 percent from Jordan, 54.5 percent from Palestine, 66.7 percent from Iraq, and 42.9 percent from Yemen, 66.7 percent from Somalia, no one from Djibouti, and 69.1 percent of the Arabs abroad.

6. Each country has its circumstances:

This view was held by only 13.1 percent of the total. Regarding each country, the percentages of participants who agreed to this statement are as follows: 13.4 percent from Egypt, 10 percent from the UAE, 16.7 percent from Sudan, 13.3 percent from Libya, 6.3 percent from Morocco, 33.3 percent from Lebanon, 42.9 percent from Yemen, 33.3

percent from Somalia, 2.9 percent of the Arabs abroad, and no one from the other countries.

#### **Arab Security**

7. Arab security is to be achieved through the Arab League.

This view was held by 33.2 percent. Regarding each country, the percentages of participants who agreed to this statement are as follows: 31.9 percent from Egypt, 55.5 percent from Syria, 54.3 percent from Saudi Arabia, 75 percent from Kuwait, 70 percent from the UAE, 85 percent from Bahrain, 77.8 percent from Qatar, 50 percent from the Sultanate of Oman, 41 percent from Sudan, 28.6 percent from Libya, 56.3 percent from Morocco, 20 percent from Tunisia, 10 percent from Algeria, 50 percent from Mauritania, 33.3 percent from Lebanon, 42.9 percent from Jordan, 27.3 percent from Palestine, 16.7 percent from Iraq, 85.7 percent from Yemen, 33.3 percent from Somalia, no one from Djibouti, and 76.5 percent of the Arabs abroad.

8. A joint Arab force is needed:

This view was held by 60.4 percent of the participants in the poll. Regarding each country, the percentages of participants who agreed to this statement are as follows: 61.5 percent from Egypt, 27.2 percent from Syria, 37.1 percent from Saudi Arabia, 18.8 percent from Kuwait, 40 percent from the UAE, 28.6 percent from Bahrain, 11.1 percent from Qatar, 50 percent from Oman, 33.3 percent from Sudan, 64.3 percent from Libya, 37.5 percent from Morocco, 100 percent from Tunisia, 40 percent from Algeria, 50 percent from Mauritania, 33.3 percent from Lebanon, 85.7 percent from Jordan, 72.7 percent from Palestine, 83.3 percent from Iraq, 57.1 percent from Yemen, 100 percent from Somalia and Djibouti, and 20.9 percent of the Arabs abroad.

9. There is no advantage to establishing a joint Arab force:

This view was favored by only 3.9 percent of all participants in the poll. It was held by: 3.9 percent of Egyptians, 9.1 percent of Syrians, 2.9 percent of Saudis, 6.3 percent of Kuwaitis, 10 percent from the UAE, 11.1 percent from Qatar, 16.7 percent from Sudan, 7.1 percent from Libya, 1.5 percent of Arabs living abroad, and no one from the other countries.

10. It is possible to establish a [military] force for each group of countries:

This view was held by a small percentage, 6.3 percent, of participants in the poll. Regarding each country, the percentages of participants who agreed to this statement are as follows: 6.2 percent from Egypt, 9.1 percent from Syria, 8.6 percent from Saudi Arabia, 6.3 percent from Kuwait, 10 percent from the UAE, 14.2 percent from Bahrain, 6.3 percent from Morocco, 10 percent from

Algeria, 18.2 percent from Palestine, 14.3 percent from Yemen, 10.3 percent of Arabs abroad, and no one from the other countries.

11. There is no need for a force to be established by these [groups of] countries:

Only 1.9 percent held this view. Regarding each country, the percentages of participants who agreed to this statement are as follows: 1.8 percent from Egypt, 11.4 percent from Saudi Arabia, 12.5 percent from Oman, 20 percent from Tunisia, 33.3 percent from Lebanon, 33.3 percent from Somalia, 2.9 percent of the Arabs living abroad, and no one from the other countries.

#### **Regional Blocs**

12. Regional blocs are advantageous to the peoples that belong to them:

Only 18.1 percent of the participants held this view. Regarding each country, the percentages of participants who agreed to this statement are as follows: 17 percent from Egypt, 36.4 percent from Syria, 28.6 percent from Saudi Arabia, 37.5 percent from Kuwait, 30 percent from the UAE, 57.1 percent from Bahrain, 44.4 percent from Qatar, 25 percent from Oman, 41.7 percent from Sudan, 28.6 percent from Libya, 25 percent from Morocco, 20 percent from Algeria, 50 percent from Mauritania, 28.6 percent from Jordan, 27.3 percent from Palestine, 28.6 percent from Yemen, 66.7 percent from Somalia, 54.4 percent of the Arabs living abroad, and no one from Tunisia, Lebanon, Iraq, and Djibouti.

13. Regional blocs are a step on the road to Arab unity:

Only 24.9 percent of the total were of this opinion. This opinion was held by 25.3 percent from Egypt, 9.1 percent from Syria, 22.9 percent from Saudi Arabia, 6.3 percent from Kuwait, 20 percent from the UAE, 42.9 percent from Bahrain, 11.1 percent from Qatar, 25 percent from Oman, 8.3 percent from Sudan, 14.3 percent from Libya, 25 percent from Morocco, 20 percent from Tunisia and Algeria, 25 percent from Mauritania, no one from Lebanon and Jordan, 18.2 percent from Palestine, 66.7 percent from Iraq, 71.4 percent from Yemen, no one from Somalia, 66.7 percent from Djibouti, and 14.7 percent of Arabs abroad.

14. Regional blocs would help divide the nation:

This opinion was held by 7.1 percent of the total. Regarding each country, the percentages of participants who agreed to this statement are as follows: 7.1 percent from Egypt, 2.9 percent from Saudi Arabia, 6.3 percent from the UAE, 14.3 percent from Bahrain, 16.7 percent from Sudan, 7.1 percent from Libya, 35 percent from Mauritania, 66.7 percent from Lebanon, 14.2 percent from Jordan, 33.3 percent from Somalia, 2.9 percent of the Arabs living abroad, and no one from the other countries.

15. Regional blocs should be eliminated and collective action should be pursued:

This view was held by 49.4 percent of the total. Regarding each country, the percentages of participants who agreed to this statement are as follows: 50.3 percent from Egypt, 27.3 percent from Syria, 34.3 percent from Saudi Arabia, 37.5 percent from Kuwait, 40 percent from the UAE, 28.6 percent from Bahrain, 22.2 percent from Qatar, 25 percent from Oman, 33.3 percent from Sudan, 25.7 percent from Libya, 31.2 percent from Morocco, 60 percent from Tunisia, 20 percent from Algeria, 25 percent from Mauritania, 33 percent from Lebanon, 42.9 percent from Jordan, 63.6 percent from Palestine, 33.3 percent from Iraq, 28.6 percent from Yemen, 66.7 percent from Somalia, 33.3 percent from Djibouti, and 25 percent of the Arabs abroad.

#### The Arab League and Its Future

16. The Arab League Charter should be amended, so that its resolutions are binding and violators are held accountable, and an Arab court of justice to judge conflicts and an Arab parliament should be established:

This was called for by 82 percent of the total participants. Regarding each country, the percentages of participants who agreed to this statement are as follows: 82.6 percent from Egypt, 100 percent from Syria, 97.1 percent from Saudi Arabia, 100 percent from Kuwait, 90 percent from the UAE, 100 percent from Bahrain, 88.9 percent from Qatar, 100 percent from Oman, 66.7 percent from Sudan, 92.9 percent from Libya, 92.7 percent from Morocco, 100 percent from Tunisia, 80 percent from Algeria, 100 percent from Mauritania, 66.7 percent from Lebanon, 85.7 percent from Jordan, 90.9 percent from Palestine, 100 percent from Iraq, Yemen, Somalia, and Djibouti, and 94.1 percent of the Arabs abroad.

[24 May p 3]

[Text] Yesterday, we published most of the results of the first Arab public opinion poll. AL-AHRAM conducted this poll so that the public can share in shaping the Arab nation's future. That future is now being scrutinized in light of the Gulf crisis and its results, amid concern that is reflected in intensive attempts to promote stability, peace, and a return to Arab solidarity.

In the midst of all of this, AL-AHRAM conducted this poll, in which 4,997 Arab citizens participated. The poll yielded important results that were processed by the computer systems at AL-AHRAM's Amak Computer Center. Yesterday, we published most of these results. Today, we will present the balance, in addition to the views of several participants in the poll from Egypt and the Arab countries. Also, next week, we will hold a roundtable discussion at AL-AHRAM to provide leading Arab personalities with an opportunity to analyze the results, clarify what the results indicate, and share in shaping the Arab future, in view of the primacy of the public interest.

#### The Crisis and the Future

17. Regardless of what happened, there is hope for the Arab future:

Of all of the participants in the poll, 42.5 percent were optimistic about this. Regarding each country, the percentages of participants who agreed to this statement are as follows: 41.4 percent from Egypt, 90.9 percent from Syria, 68.6 percent from Saudi Arabia, 31.2 percent from Kuwait, 30 percent from the UAE, 42.9 percent from Bahrain, 44.4 percent from Qatar, 37.5 percent from Oman, 50 percent from Sudan, 78.6 percent from Libya, 62.5 percent from Morocco, 60 percent from Tunisia, 80 percent from Algeria, 75 percent from Mauritania, 33.3 percent from Lebanon, 85.7 percent from Jordan, 90.9 percent from Palestine, 33.3 percent from Iraq, 57.1 percent from Yemen, 66.7 percent from Somalia, no one from Djibouti, and 76.5 percent of the Arabs abroad.

18. There is no hope for the Arab future:

Only 4.6 percent were pessimistic. Regarding each country, the percentages of participants who agreed to this statement are as follows: 4.7 percent from Egypt, 0.9 percent of the Arabs abroad, and no one from the other countries.

19. Arab capital should invest in the Arab nation, even if such investments are less profitable:

This was agreed to by 67 percent. Regarding each country, the percentages of participants who agreed to this statement are as follows: 66 percent from Egypt, 81.8 percent from Syria, 80 percent from Saudi Arabia, 87.5 percent from Kuwait, 90 percent from the UAE, 71.4 percent from Bahrain, 88.9 percent from Qatar, 87.5 percent from Oman, 58.3 percent from Sudan, 78.6 percent from Libya, 75 percent from Morocco, 100 percent from Tunisia, 80 percent from Algeria, 100 percent from Mauritania, 66 percent from Lebanon, 85.7 percent from Jordan, 90.9 percent from Palestine, 82.3 percent from Iraq, 100 percent from Yemen, 66.7 percent from Somalia, 100 percent from Djibouti, and 89.7 percent of the Arabs abroad.

20. It is necessary to be concerned with culture and information with the goal of unifying thinking and attitudes:

This opinion was held by 42.8 percent of the total. Regarding each country, the percentages of participants who agreed to this statement are as follows: 41.2 percent from Egypt, 81.8 percent from Syria, 68.6 percent from Saudi Arabia, 87.5 percent from Kuwait, 80 percent from the UAE, 42.9 percent from Bahrain, 66.7 percent from Qatar, 75 percent from Oman, 75 percent from Sudan, 85.7 percent from Libya, 75 percent from Morocco, 40 percent from Tunisia and Algeria, 100 percent from Mauritania and Lebanon, 71.4 percent from Jordan, 54.5 percent from Palestine, 33.3 percent

from Iraq, 57.1 percent from Yemen, 100 percent from Somalia, 33.2 percent from Djibouti, and 77.9 percent of the Arabs abroad.

#### **The Palestinian Problem**

21. The solution to the Palestinian problem lies in the establishment of a Palestinian state in the West Bank (including Jerusalem) and Gaza and recognition of Israel:

This view was held by 49.4 percent of the participants in the poll. Regarding each country, the percentages of participants who agreed to this statement are as follows: 48.8 percent from Egypt, 63.6 percent from Syria, 68.6 percent from Saudi Arabia, 62.5 percent from Kuwait, 60 percent from the UAE, 100 percent from Bahrain, 44.4 percent from Qatar, 37.5 percent from Oman, 58.3 percent from Sudan, 28.6 percent from Libya, 43.8 percent from Morocco, 33.3 percent from Lebanon, 42.9 percent from Jordan, 20 percent from Tunisia, 40 percent from Algeria, 75 percent from Mauritania, 33.3 percent from Iraq, 71.4 percent from Yemen, 100 percent from Somalia, 33.3 percent from Djibouti, and 66.2 percent of the Arabs abroad.

22. The only solution to the Palestinian problem lies in fundamental changes in the PLO:

This view was held by 24.6 percent. Regarding each country, the percentages of participants who agreed to this statement are as follows: 24.3 percent from Egypt, 18.2 percent from Syria, 21.4 percent from Saudi Arabia, 31.3 percent from Kuwait, 40 percent from the UAE, 14.3 percent from Bahrain, 44.4 percent from Qatar, 27.5 percent from Oman, 31.3 percent from Sudan, 28.6 percent from Libya, 31.3 percent from Morocco, 60 percent from Tunisia, 40 percent from Algeria, 25 percent from Mauritania, 33.3 percent from Lebanon, 28.6 percent from Jordan, 18.2 percent from Palestine, 16.7 percent from Iraq, no one from Yemen or Somalia, 66.7 percent from Djibouti, 29.4 percent of the Arabs abroad.

23. The Palestinian cause is a hopeless cause:

Only 10.9 percent held this view. Regarding each country, the percentages of participants who agreed to this statement are as follows: 10.8 percent from Egypt, 2.9 percent from Saudi Arabia, 6.3 percent from Kuwait, 10 percent from the UAE, 12.5 percent from Oman, 8.3 percent from Sudan, 14.3 percent from Libya, 6.3 percent from Morocco, 14.3 percent from Jordan, 9.1 percent from Palestine, 14.3 percent from Yemen, 33.3 percent from Djibouti, 7.4 percent of the Arabs abroad, and no one from the other countries.

#### **The New World Order**

24. We must be an interactive part of the new world order to help shape it:

This view was held by 80 percent. Regarding each country, the percentages of participants who agreed to this statement are as follows: 80.3 percent from Egypt

2.7 percent from Syria, 85.7 percent from Saudi Arabia, 75 percent from Kuwait, 90 percent from the UAE, 85 percent from Bahrain, 77.8 percent from Qatar, 75 percent from Oman, 81.3 percent from Sudan, 64.3 percent from Libya, 68.8 percent from Morocco, 60 percent from Tunisia, 70 percent from Algeria, 100 percent from Mauritania, 33.3 percent from Lebanon, 71.4 percent from Jordan, 90.9 percent from Palestine, 100 percent from Iraq, Yemen, Somalia, and Djibouti, and 89 percent of the Arabs abroad.

25. We must only be merely subordinate to the new world order:

This view was held by only 3.6 percent. Regarding each country, the percentages of participants who agreed to this statement are as follows: 3.1 percent from Egypt, 2.9 percent from Saudi Arabia, 6.3 percent from Kuwait, 11.1 percent from Bahrain, 8.3 percent from Oman, 21.4 percent from Sudan, 33.3 percent from Lebanon, and no one from the other countries.

Note: Those who said this added:

"We will inevitably be as such if our Arab circumstances and disagreements continue in their present form."

#### **The Concerns of Each Country**

Regarding the focus of public concern in each country:

In Egypt, 54.9 percent of the participants favor the application of democracy in every country, 52.3 percent favor the application of the Shari'ah, 50.3 percent favor the abrogation of regional blocks and the pursuit of collective action, 82.6 percent favor the amendment of the Arab League Charter, 66 percent favor the investment of Arab capital, 48.8 percent favor the establishment of a Palestinian state, and 80.3 percent favor the Arabs being an interactive part of the new order.

The Syrians are also enthusiastic about democracy (63.5 percent), as well as Arab security being realized through the Arab League (45.5 percent), the need to amend the Arab League Charter (100 percent), optimism about the future (90.9 percent), the investment of Arab capital and concern with culture and information (81.8 percent), the establishment of a Palestinian state (63.6 percent), and the Arabs being a part of the new world order (72.7 percent).

The Saudis too are enthusiastic about democracy (68.6 percent) and the application of the Shari'ah (45.7 percent), although 42.9 percent called for its gradual application.

Of the Lebanese participants, 66.7 percent call for democracy, 66.7 percent call for the application of the Shari'ah, and 66.7 percent believe that regional blocs help divide the nation.

As for the Jordanian participants, 85.7 percent call for democracy, 57.1 percent for the application of the Shari'ah gradually, and 85.7 percent call for the establishment of a joint Arab military force.

The Kuwaiti participants focus on democracy (87.5 percent), the Shari'ah (62.5 percent), Arab security (75 percent), the investment of Arab wealth and concern for culture and information (87.5 percent), the establishment of a Palestinian state (62.5 percent), and interaction with the new world order (75 percent).

The participants from the UAE also call for democracy (90 percent), the application of the Shari'ah (60 percent), and Arab security (70 percent).

Participants from Bahrain are concerned with democracy (71.4 percent), the application of the Shari'ah (71.4 percent), and Arab security through the Arab League and the amendment of its charter (85 percent).

Participants from Qatar call for democracy (88.9 percent), the gradual application of the Shari'ah (77.8 percent), Arab security based on the Arab League (77.8 percent), the amendment of the Arab League Charter (88.9 percent), the need for Arab investment (88.9 percent), the establishment of a Palestinian state (44.4 percent), and changes in the PLO leadership (44.4 percent).

Of the participants from Oman, 87.5 percent call for democracy, 50 percent call for the application of the Shari'ah gradually, 100 percent call for the amendment of the Arab League Charter, 87.5 percent call for Arab investment in the Arab countries, and 75 percent call for culture and information [to unify thinking and attitudes].

Of the Sudanese participants, 41.7 percent call for democracy, 25 percent call for the application of the Shari'ah immediately, and 50 percent call for its gradual application.

Among the Libyan participants, 71.4 percent call for democracy, 92.9 percent call for the amendment of the Arab League Charter, 28.6 percent call for the establishment of a Palestinian state, and a similar percentage calls for changes in the PLO leadership.

As for Morocco, its concerns are democracy (81.3 percent), the amendment of the Arab League Charter (93.8 percent), and investment and unity of culture and information (75 percent).

Regarding Tunisia, 60 percent are concerned with democracy, 70 percent are concerned with the application of the Shari'ah, and 100 percent are concerned with the need to establish an Arab military force.

The Algerians believe in the importance of democracy (50 percent), the Shari'ah (70 percent), and interaction with the new world order (100 percent).

Regarding the Palestinians, 63.6 percent call for democracy, 72.7 percent call for the establishment of a joint Arab military force, and the same percentage calls for the establishment of a Palestinian state.

As for the Iraqis, 100 percent call for democracy.

Of the Yemenis, 85.7 percent believe in the importance of democracy and a similar percentage believes that Arab security should be based on the Arab League.

As for Arabs abroad, 83.8 percent call for democracy, 69.1 percent call for the application of the Shari'ah, 76.5 percent call for Arab security based on the Arab League, 94.1 percent call for the amendment of the Arab League Charter, 76.5 percent are optimistic about the Arab future, 89.7 percent favor Arab investment, 77.9 percent favor culture and information, 66.2 percent favor the establishment of a Palestinian state, and 29.4 percent call for changes in the PLO.

#### [Box]

##### What Did the Participants from the Arab Countries Say?

From Dammam, in the eastern area of the Kingdom of Saudi Arabia, 'A. F. al-Subay'i (31, national civil employee) calls for the application of the Islamic Shari'ah gradually, and a joint military force. He states the regional blocs help divide the nation and must be eliminated, and he supports the need to amend the Arab League Charter. He states that the only solution to the Palestinian problem lies in changes in the PLO, and he adds that we must be an interactive part of the new world order.

From Riyad, physician al-Sa'udi Majid Hashim 'Amir (50) states that true, democratic regimes and the gradual application of the Shari'ah are necessary. He adds that regional blocs are a step on the road to unification, and he calls for the amendment of the Arab League Charter.

Haram al-Muhandis 'Adli Ahmad Musa (40), a housewife from Jeddah, Saudi Arabia, states that democracy and the Shari'ah are necessary, and that Arab security should be achieved through the Arab League, whose charter, she adds, should be amended. Also, regardless of what happened, there is hope for the Arab future.

From Syria, a state geologist (30) states that, regarding democracy and the Shari'ah, every country has its circumstances. He calls for a joint military force and emphasizes that regional blocs are a step toward Arab unification. He also calls for the amendment of the Arab League Charter.

Muhammad al-'Azamah (a lawyer, 54, from Damascus) calls for gradual democracy and the application of the Shari'ah, the amendment of the Arab League Charter, the establishment of a Palestinian state in the West Bank and Gaza with recognition of Israel, and interaction with the new world order.

From Yemen, Muhammad Mahdi Bayakri (24, a student) calls for democracy, the Shari'ah, the achievement of Arab security through the Arab League, and the amendment of its charter. He adds that the only Palestinian solution lies in changes in the PLO.

From Libya, Khalil 'Abd-al-Hamid al-'Arabi (43, an artist from Benghazi) calls for democracy, the Shari'ah, the achievement of Arab security based on the Arab League, and the amendment of its charter. He adds that the solution to the Palestinian problem lies in changes in the PLO, and he favors interaction with the new world order.

From Jordan, Ra'fat Yusuf Ibrahim al-Zamili (21, of Palestinian nationality) calls for democracy, the abrogation of regional blocs, the amendment of the Arab League Charter, the achievement of Arab security through the Arab League, and the establishment of a Palestinian state with recognition of Israel.

#### [Box]

#### The Egyptians and Diversified Views!

From Britain, Dr. Salah al-Sharbani, the general secretary of the Egyptian emigre community, writes calling for democracy, the amendment of the Arab League Charter, and optimism regarding the Arab future.

Dr. Ahmad 'Abdallah Husayn (52) believes that regional blocs help divide the Arab nation and must be abrogated.

The president of the court, 'Ali 'Abd-al-Sattar Muhammad (43) calls for democracy. As for the Shari'ah, he believes that each country has its circumstances. He believes that Arab security should be achieved through the Arab League and that the Arab League Charter should be amended. He adds that the only solution to the Palestinian problem lies in changes in the PLO.

From London, Dr. Muhammad 'Umar, a university professor, calls for democracy "quickly" and the Shari'ah, "because it contains salvation." He further calls for the abrogation of regional blocs and the pursuit of comprehensive Arab unity similar to the unity in America. Finally, he calls for the establishment of a Palestinian state without recognition of Israel.

Samirah 'Ali 'Ayyad (a student, the city of Nasr) believes that democracy is needed urgently in the Arab homeland. She favors the gradual application of the Shari'ah and the establishment of an Arab military force.

From Khartoum, Dr. Isma'il 'Abd-al-Hamid Isma'il (45), a teacher at the business college, calls for democracy and a joint Arab force.

Siham Sidqi al-Dib, a television producer, sees a need to form a military force.

A young physician, Hannan Ibrahim (30) calls for democracy and the immediate application of the Islamic

Shari'ah, while another young physician, Muhsin Murad, 30, calls for true democracy, but states regarding the Shari'ah that each country has its circumstances.

Evangelical clergyman Yusuf Butrus Sus (53) calls for gradual democracy. Regarding the Shari'ah, "each country has its circumstances, and minorities should be given their full rights." He states that Arab security should be achieved through the Arab League, is optimistic about the Arab future, states that the solution to the Palestinian problem lies in fundamental changes in the PLO, and believes that we must interact with the new world order.

#### Academic Discusses Arab-West Ties

*91AE0404A London SAWT AL-KUWAIT AL-DUWALI in Arabic 16 May 91 p 9*

[Article by Dr. Khaldun Hasan al-Naqib, ex-Dean of Kuwait University's School of Arts: "Possibilities of Cooperation and Conflict Between Arabs and the West"]

[Text] The question preoccupying the entire world these days is: What will the Arab region's future be in wake of the Gulf war and under the canopy of the new world order? It is as if the Arab region was transformed into a crucible for testing the new world order whose features are gradually taking a clear shape. I will try here to offer an initial answer to this urgent question.

This answer can be presented in the form of a general hypothesis relying on modern historical facts, namely that comprehensive and serious development provides the elements of internal "security and stability" in the Arab countries. The elements of insecurity and instability surface because of the condition of backwardness and of subservience to the West. What we mean is that security and stability can be achieved in a better manner (than what is proposed to date) through comprehensive development that is relatively independent of the West and that counters the likely opposition of the west.

We derive from the general hypothesis another hypothesis to the effect that relations between the Arabs and the West will be governed—in a more complex fashion than that existing prior to the Gulf war—by confrontation and conflict, not by peace and cooperation.<sup>1</sup> To clarify this, let us take oil as an indicator. On the basis of this hypothesis, we expect that the more the West relies on the strategic Arab oil reserve (including investments of revenues generated by the petroleum derivative industries) and the more the West exploits the Arab state of backwardness and division, the more the West will increase its utilization of Israel's technological and strategic superiority as an essential instrument in this conflict to subject the Arabs to the West's will.

#### Conflict With West

In what sense are we talking of conflict—conflict with the West in particular? Conflict emanates here from the conflicting interests of two major groups, namely the

Arabs and the West (the obvious differences within each group are disregarded for the purpose of simplification). This conflict emanates not from the two sides' legitimate interests but from the wish of one side, namely the West, to impose its special interests, i.e., its illegitimate ambitions, on the other side through domination, coercion, and armed violence. In this sense, conflict is not an abnormal historical condition among nations, nor is it a condition of unceasing war or total estrangement between the two parties to a conflict.

Conflict with the West takes form from mutual exchange and dealings founded on competition to gain benefits and advantages in the face of concealed or open opposition by one side to the other. Theoretically, there is no limit to the forms that this confrontation may assume with regard to actions and reactions within the bounds of the rules of the international political game, keeping in mind that conflict with the West is not an option chosen by the Arabs but an inevitable condition imposed on them as long as international relations are governed by the logic of coercion and domination. Allowing cooperation to triumph over conflict is a decision made by both sides whereas all indications are that the West's thinking on the region is different from Arab thinking—just from the point of view of its own special interests.

In this context, several important political facts have been produced by the Gulf war. Contrary to some writers' allegations, Saddam Husayn, for example, did not change the rules of the political game. Cases of invasion are numerous in modern history. The party that has changed the rules of the political game is the West which united under the leadership of a single superpower, namely the United States. Another fact is that ousting Saddam Husayn from Kuwait was our urgent national issue. But this does not hide the fact that in one of its aspects, the war was a punitive campaign aimed at making Iraq an example for other Third World countries under the new world order. This is what the president of the United States stated literally in his press conference on 1 March 1991 when he said that the United States planned this war in such a manner that it would not need to use its armed forces to settle every future conflict. The important element in this statement is the expectation of the outbreak of disputes, i.e., the continuation of the conflict.

#### Historical Framework

Although the West, in this situation, came as a liberator or would play the role of the liberator in our Arab region, this is completely inconsistent with reality by virtue of our subsidiary hypothesis which says that Arab and Western interests are in conflict. However, what makes the West's role reasonable is that Saddam Husayn deepened Arab division in an unprecedented manner in our modern history over an issue that is tied to illusion and that has nothing to do with reality. Saddam Husayn's ability to deepen the division was tied to his ability to confront Israel, and the West behind it, whereas the truth is that Saddam Husayn's

regime possessed all the elements of weakness which had been displayed in previous confrontations in 1947, 1956, 1967, 1973, 1982, and 1991.

These elements of weakness are nothing but our political and economic backwardness, our subservience to the West—even where the essentials of our life are concerned—our inability to absorb higher technology locally, the inadequacy of our administrative systems, our regimes' excessive authoritarianism and organized terrorism against the peoples, the uneven distribution of national income both locally and regionally, and so forth.

But let us consider the cycle of confrontation and conflict between the Arabs and the West chronologically. In the past 45 years, i.e., since the end of World War II, cases of confrontation between the Arabs and the West have ended in armed violence and wars six times, averaging one case every seven and one half years.

#### Security Through Development

In all six past confrontations and wars, the West's primary objective was to sap our strength and to weaken our resolve to continue resisting the West's illegitimate ambitions which are listed as follows:

1. Accepting Israel as an instrument to accomplish imperialistic domination at the expense of the Palestinian people's historical rights.
2. Subjecting our oil and financial resources to the West's special interests and to its wish to control the ways in which these resources are invested.
3. Preventing the Arabs from turning into a regional power capable of achieving comprehensive development through Arab political decision-making that is relatively independent of the West.

From this starting point, Saddam Husayn's defeat should not be viewed as a card for putting real pressure on Israel. This card has been removed and its removal must not be viewed as a step toward settling the Palestinian issue in accordance with the West's interests. Moreover, the issues that Saddam Husayn's invasion of Kuwait has unwittingly revived are our vital issues which the West has successfully frozen in order to marginalize Arab capability, spreading confusion among Arab political forces, and preventing them from developing a comprehensive development program to counter the West's illegitimate ambitions.

Therefore, resorting to the West to achieve a settlement or to establish security arrangements in the Arab region is, in the end, an admission of our impotence, an abandonment of our permanent and legitimate pan-Arab interests, and the collapse of our will to continue on the path of liberation from subservience to the West. According to our general hypothesis, security and stability will not be accomplished as long as conditions of subservience and backwardness, which are the symptoms of our weakness, which led to all our past defeats, prevail among us. Therefore, we have no alternative to security through short-term and long-term development.

**Arab Common Market**

The option of security through development must lead to some sort of economic unification or integration among the Arab countries in order to strengthen their economic, political, and strategic positions vis-a-vis the west. This unification could take the form of a common Arab market or of a convenient version of the EEC in the long run. In the short run, a number of steps have to precede the accomplishment of this long-range objective.

One of these urgent and immediate steps is embodied in creating joint Arab organizations and bodies that supervise the reconstruction of Kuwait and Iraq and that compensate the Arab countries harmed by the war with real production and development projects instead of doling out bids to foreign firms as if they were spoils of war.

This step should be followed by another step toward creating an Arab economic group or an Arab development bloc, meaning that joint Arab organizations and bodies should undertake the investment, production, and distribution processes after eliminating the political, financial, and legislative obstacles. These bodies should especially create a proper climate of political security and stability embodied in greater fairness in the distribution of national income, in a higher degree of political participation, and in securing constitutional guarantees by which enlightened ruling elites are guided.

To accomplish all this, we urge Arab intellectuals from within and from outside the governments to form a bloc or a grouping that provides the institutional and research framework for a plan for an Arab development organization and that exerts efforts to perpetually present this plan so as to develop an Arab public supporting this plan, to conduct studies on its practical requirements, and to determine the obstacles facing it and the means to overcome these obstacles. We urge them to form this bloc or grouping as a security-through-development alternative that leads to transforming the Arabs into a united regional power that contributes generously to the world civilization and economy, giving and taking.

**Footnote**

1. I owe many of the ideas expressed in this article to the discussions of two symposiums held in Cairo in February, the first at AL-AHRAM's Israeli Studies Institute and the second at the Third World Club. I am especially indebted to a paper submitted by Dr. Isma'il Sabri 'Abdallah to the second symposium. The Arab economic group idea is derived from this paper.

**State Company Considering Reopening Tehran Branch**

*91P40322A London AL-SHARQ AL-AWSAT in Arabic  
23 Jun 91 p 9*

[Text] AL-SHARQ AL-AWSAT Cairo bureau—AL-SHARQ AL-AWSAT has learned that the Nasir Import-Export Company is currently studying reopening

its branch in the Iranian capital of Tehran after an 11-year closure. This comes under the Egyptian-Iranian joint plan to increase Egyptian exports to the Gulf nations and Iran. In light of interest offices established mutually in Cairo and Tehran, the study is currently examining legal procedures related to resuming trade relations between the two countries and setting up business deals. Rice, sugar, and leather remain Egypt's most important exports to Iran.

**Amir Receives Iranian President's Message**

*JN2405090391 Manama WAKH in Arabic 0820 GMT  
24 May 91*

[Text] Manama, 24 (WAKH)—His Highness Shaykh 'Isa Bin-Salman Al Khalifah, amir of Bahrain, has received an oral message from Iranian President 'Ali Akbar Hashemi-Rafsanjani on issues of concern to the region in general and bilateral relations in particular.

The Iranian president stressed his country's eagerness to strengthen Bahraini-Iranian ties in all fields.

The message was delivered by Iranian Deputy Foreign Minister 'Ali Mohammed Besharati when his highness the amir received him here today.

The meeting was attended by Bahraini Foreign Minister Shaykh Muhammad Bin-Mubarak Al Khalifah and Iranian Ambassador to Bahrain Javad Torkabadi.

**ALGERIA****Article Profiles Ghozali as Political Player**

*91AA0433A London AL-SHARQ AL-AWSAT in Arabic  
7 Jun 91 p 3*

[Report from Algiers by Qusay Salih al-Darwish: "AL-SHARQ AL-AWSAT Follows Events in the Streets of Algiers. Ghozali's Assumption of Power Will Fill Big Void in Rebuilding the Government"]

[Text] Sid Ahmed Ghozali was attending the African Summit in Nigeria when he learned of his appointment to head the Algerian government. He displayed no particular hurry to return home to assume power even though he suffered through a year of rumors claiming his appointment to that post; so much so that such rumors became a point of weakness and an embarrassment to him. The ousted head of government, Mouloud Hamrouche began to look on him as a competitor and an opponent that must be tolerated, and began to plot against him.

The head of government, it is said, instigated a strike at the Ministry of Foreign Affairs for all of last year when Sid Ahmed Ghozali was up to his ears in the work of the tripartite reconciliation committee charged with implementing the al-Ta'if Accord.

Indeed, Mouloud Hamrouche was not comfortable with Ghozali's participation in his government not only

because of the latter's close ties to and constant meetings with President Bendjedid in his capacity as foreign minister; but also because of his intimate knowledge of the complex economic situation in Algeria, having occupied sensitive economic posts for almost as long as the country has been independent—first as president of Sonatrach, Algeria's state oil company then as minister of petroleum and minister of finance in the Merbah government.

Sid Ahmed Ghozali has an independent and daring personality that can neither be restrained nor silenced. Moreover, he has strong domestic and foreign contacts in international economic circles and with the historical leadership of the National Liberation Front [FLN]. Ghozali was considered a symbol of development in the regime of the late president Houari Boumedienne and an insider of the group of technocrats that formed around Abdesselam Belaid. That group, in fact, also had a political dimension since it sprang from the ranks of FLN youths.

Sid Ahmed Ghozali, however, rose higher than his friend Abdesselam Belaid and immersed himself with President Bendjedid in the open-door experiment as minister of finance, in the political open-door policy, and as minister of foreign affairs. His cooperation with President Bendjedid endured periods of tension and estrangement. He was ousted from the government and even kicked by President Bendjedid out of a cabinet meeting because he opposed the proposals and strategies of 'Abdelhemid Alibrahimi, then head of the government, who continued to criticize the petroleum policy of the Ghozali/ Belaid/ Boumedienne era.

Ghozali exhibited singular courage at that time by circulating to senior officials a memorandum detailing his views on the issues involved. He consequently incurred the wrath of leadership at the summit and was dismissed from the FLN. Financial [impropriety] charges were pressed against him but could not be proved, the matter was quickly dropped, and Ghozali was sent away to Brussels as ambassador.

#### New Friendships

As such, he was able to bolster his association with President Bendjedid and became very close to him when Bendjedid was admitted for an operation to a hospital in the Belgian capital. Renewed friendship sprouted between the two men as the president developed admiration for Ghozali and confidence in him. He wanted him in the government and named him minister of finance. When the removal of Merbah was contemplated, Ghozali was seriously considered as a successor but in the end Hamrouche was chosen.

That is why Hamrouche was wary of Ghozali and attempted to undermine his standing by offering him the public works portfolio which Ghozali emphatically refused saying it was the ministry he managed in the first cabinet after independence and it would make no sense to return to it after nearly 30 years. Ghozali almost left

the government [as a result of this incident] had it not been for the assurances of President Bendjedid that the foreign minister reports only to the president.

Ghozali, in turn, privately directed sharp criticism at the economic policies of Ghazi Hidouci saying they were bound to cause a crisis; and continued to do so for as long as the Hamrouche cabinet remained in power. Politically, Sid Ahmed Ghozali was of course not included in, nor did he approve of, the Hamrouche concoction for the FLN. Ghozali was of the opinion that the FLN should recoup its vitality and vigor on its own true dialectical grounds, traditional and new, because that would be the only way to confront growing fundamentalism.

#### Criticism

Sid Ahmed Ghozali, even though sharply critical recently of the United States and the West, apposed the consensus and swam against the tide when he insisted that Algeria did not have the means [to get involved in] the Saddam adventure; and especially when he disclosed his warning to the Iraqi president that his enemies were capable of destroying Iraq a thousand times over. He revealed to me in one interview in Paris during the crisis that several officials contacted him to say: You are right and we concur with your statement but you should not have made it openly because it runs against popular sentiment. Ghozali added: I do not regret what I said. History will vindicate me and the Algerian people will discover who lied to them and who gave it to them straight.

International political and economic circles, meanwhile, were comforted and assured because Ghozali remained in the Hamrouche government despite the scope of his disagreements with the cabinet on all levels. But anxiety gripped those international financial and economic circles just before Ghozali was named to head the government. More than one entity, according to informed sources, contemplated terminating Algerian investments if Ghozali were not given an important portfolio. The reason for that stance was not so much approval of Ghozali and his economic policies as it was confidence in his assiduity and lack of confidence in former minister Ghazi Hidouci even though the latter tried desperately, with the help of a group of Jews, to cement Hamrouche's relations with Western financial institutions.

#### Satisfaction and Elation

It is difficult to say whether Sid Ahmed Ghozali felt satisfaction and elation at his appointment since he knows his burden will be heavy and the economic crisis has reached an explosive level, regardless of political accounts. State agencies have been drained of productive capacity. New laws founded on purely theoretical assumptions accomplished nothing but to throw productive entities into frightful disarray. The regime is based on a political speech about reform without regard to the times or to street dynamics, and has distanced itself from

the FLN—the only political power capable of shoring it up. Furthermore, the Ghozali government will find a legacy of martial law, tense and explosive situations in the streets, and a heavy military presence in the political arena that has failed to diffuse the challenges of the fundamentalists.

However, there might be a positive aspect to all this which would serve the new head of government. He will not be directly concerned with security. The harshness of the army may help control state agencies and other institutions and bring an end to the anarchy caused by successive and contradictory legislative amendments. Perhaps the declaration of a four-month state of emergency is intended as a psychological shock that would enable the new government to function.

#### Economic Viability

The economy will be top priority for Sid Ahmed Ghozali but he will have to reconcile economic viability with the coalition government's plan which restricts the government's function to easing the crisis politically, administratively, and to a certain extent economically, without being able to implement the medium- and long-term strategies it believes can resolve the crisis.

The job of easing the political crisis will impose on Ghozali another urgent task—that of reforming the FLN to the extent possible, allowing it to resume the political role it forfeited under the two previous governments.

The question now is how much free-hand will Ghozali have in forming the government and in his dialogues with FLN leaders and segments. Will he be given as much free hand as Hamrouche? Hamrouche enjoyed a personal margin acquired over the years by virtue of his sensitive position as secretary-general of the republic—a margin developed in the absence of the FLN and the army from the arena. Ghozali's margin will be impacted by the state of emergency and by the return of the army and the FLN.

The development of that margin and its scope will depend not only on the willingness of President Bendjedid but also on the vitality and dynamism of the work team with which Ghozali will surround himself, on how open that team will be to various initiatives, and on how issues will polarize.

It will also depend on whether that work team will stay close to Ghozali within the confines of the cabinet or will filter down to the rest of the government through the nomination of persons close to Ghozali who would be able to cooperate with him and give him support for the near future. One such person is Alhedi Elkhediri, former minister of the interior and transportation. He and Ghozali were the only non-Hamrouchite ministers until Hamrouche succeeded in plotting his [Elkhediri's] removal not only from the cabinet but also from FLN electoral nominations and eventually from the FLN itself.

The paradox is that the task of fleshing out the FLN and restoring it to vitality and vigor will fall to Ghozali and Elkhediri, both of whom were once removed from the FLN or cast outside its legal framework.

#### Commentary Analyzes Challenges Facing Ghozali, FLN

*91AA0458A Paris LE MONDE in French 18 Jun 91 p 3*

[Article by Algiers correspondent Georges Marion: "The Prime Minister Tries To Reduce the Weight of the FIS"; first paragraph is LE MONDE introduction]

[Text] After 10 days of consultations with all the political forces in the country, Mr. Sid Ahmed Ghozali's government should be formed quickly. This will enable the prime minister to get to work on a priority task, that of organizing unchallengeable legislative elections before the end of the year.

To hear his friends tell it, if Mr. Ghozali had to draw just one conclusion from his meetings with party officials and representatives of "civilian society" since his nomination on 7 November, he would have a single word on his lips: "scheming." Indeed, most of those who spoke with the prime minister are said to have denounced the conditions under which the 27 June legislative elections were being prepared. They are convinced that the government then in power would have stopped at nothing, not even the worst, to achieve victory.

For Mr. Ghozali, who has never concealed his opposition to the way voting districts were carved up by the former team, the lesson is clear: If a repetition of recent disorders is to be avoided, the honesty of the next legislative elections planned before the end of the year must be unimpeachable. A question of morality, as those close to him put it, but also of realism: "We must finally find out," says one of them, "just who counts for what, and what the country's real political forces are." Accomplishing this is said to be a necessary precondition for eventual post-electoral alliances. [These will be needed] when the time comes, not to woo votes, but to govern on the basis of a program—and combat the Islamic Salvation Front (FIS).

For, with or without the tanks that maintain a continuing state of siege, the FIS still remains the principal political party. Like his predecessor Mr. Hamrouche, Mr. Ghozali will not escape having his policy shackled by the need to focus first and foremost on the strategy he will use to diminish the weight of the Islamists. And the prime minister's arsenal is all the more limited as he has little time to make his case. His inability to rally significant segments of the Islamist electorate means that, for now, he can only try to consolidate around his plan the resistance of FIS's opponents, who have so far been scattered and impotent.

### Mr. Ben Bella's Candidacy

His discussions seem to have convinced him that this is a feasible route, provided that honest and fair elections are guaranteed. Mr. Ghozali was quick to promise them. He insisted in particular on the neutrality the administration will show during the next electoral campaign, and on equal access to the audiovisual media, judged guilty of "favoritism" by everyone. The composition of the future government includes only one or two ministers belonging to the FLN (National Liberation Front) party leadership. The first of them, who is still a member of the central committee, is supposed illustrate the concern for neutrality of a government that intends to "serve the country, not a clan."

On the other hand, the other conditions likely to promote an honest election are less clear. Just a few days ago, it seemed certain that the new government's priority would be modification of the electoral law, and particularly the way districts have been carved up, which is seen as unbalanced. Now it seems less so. Many political parties consulted by the prime minister, worried about the risk of endless discussions, are said to have had deep reservations. Moreover, would an assembly composed almost totally of FLN deputies agree to rescind its decision by passing an electoral law that would nullify the one it had just adopted? To skirt this question mark, a few jurists have suggested legislation by ordonnance, in the hope of moving from a state of siege to a state of exception through a constitutional contortion that has yet to be imagined. Would such a move be possible?

Since the new government's religion is still undecided, the initiative of challenging voting district boundaries would be left to the parties, in the secret hope that they would think twice before embarking on such an adventure. As for the presidential election, aside from Mr. Ahmed Ben Bella, who has just filed his candidacy, no one seems particularly worked up over it for now. Here too, there seems to be a consensus: Let the dust of the legislative elections settle before setting a date for the next step.

Much attention, on the other hand, has been focused on the FLN, which for the first time since independence will no longer govern the country. Deprived of the privileges of power, the former sole party will assemble its central committee on 26 June, before holding a special congress whose date has not yet been set. The atmosphere in the party is described as especially tense.

### The FLN's Confusion

The former leadership that is gathered around the general secretary—Mr. Abdelhamid Mehri, who is related by marriage to President Chadli Bendjedid—is opposed by those whom Mr. Hamrouche relegated, sometimes brutally, to the sidelines. The latter would like to take their revenge and capture the party leadership in the reigning confusion. As for Mr. Hamrouche, he could seize the opportunity of the central committee meeting to make a political comeback and, ultimately, try to get

himself named as the FLN candidate for the next presidential election. According to the best observers, the balance of strength between the adversaries is equal, increasing the risks of a schism.

Such political effervescence could make one doubt that the state of siege is still in effect. Yet according to the prime minister's entourage, it will only be lifted when total calm has been restored. No one, it is true, has asked that the army return to its barracks immediately; this allows it to make arrests daily, sometimes after exchanges of fire.

While unverifiable rumors claim that hundreds of arrests have been made throughout the country, sources close to the prime minister cite only 40, most of them in Hidjra Wa Takfir circles. The latter is a more or less autonomous, fundamentalist para-military organization of the FIS. For now, the FIS has been very careful to avoid protesting against the army's operations, hinting by its silence that it had nothing to do with the persons arrested, in whose homes weapons and various equipment have sometimes been discovered.

An Islamist of French origin, Mr. Didier Guillaume, was arrested in Oran in possession of several revolvers, chemicals for making explosives, and a recipe book for efficient assassination. Exhibited on television amidst his arsenal, Mr. Guillaume, in the best tradition, admitted his wrongs, enabling the press to condemn the "foreign hand" in recent events.

### First Islamic Bank Established in Algiers

91AA0433B Algiers AL-SHA'B in Arabic 21 May 91  
pp 1, 3

[Article by Saliha Mouawish: "Al-Barakah Algerian Bank: First Islamic Banking Experiment in Algeria"]

[Text] The constituent assembly of Al-Barakah Algerian Bank convened yesterday in Iqamat al-Mithaq. The bank was established in October 1990 as a joint venture of AL-Barakah Group for Investment and Development and the Bank of Agriculture and Rural Development.

Three issues emerged from the constituent assembly and were ratified by Shaykh Salih 'Abdallah Kamil, president of the Al-Barakah Group, and by Mr. Murad Mortaji, general manager of the Bank of Agriculture and Rural Development (BADR).

The issues involve subscription statements, minutes of the shareholder's meeting, and board of directors elections as well as the appointment of 'Ali Qarat Eljazairi as manager of AL-Barakah Algerian bank. The bank, to be inaugurated today, has a stated capital of 1 billion Algerian dinars and a paid capital of 500 million dinars equally subscribed by the two partners. It is the first Islamic bank in Algeria and will operate in accordance with the dictates of Islamic Shari'a.

Shaykh Salih 'Abdallah Kamil spoke briefly and commended Algeria's efforts in laying the foundation for an Islamic bank in order to bolster Saudi-Algerian relations.

He referred to the Gulf crises as a difficult test never before faced by Islamic society and added that the long-range objective is the creation of the Islamic market long-advocated by King Fahd Ibn-'Abd-al-'Aziz Al Sa'ud, custodian of the two holy mosques.

Shaykh Salih 'Abdallah Kamil went on to discuss Al-Barakah's Algerian operations, saying it goes beyond the funding of its Algerian branch to the financing of other enterprises. For instance, it joined the Bank of Algeria in financing the International Leasing Company which leases equipment and fixed assets for economic development in Algeria. The Group also established Al-Samaha Trading Company as a contribution to export-import privatization.

The Al-Barakah Group president explained that such activities fall within the Group's operational philosophy for Islamic countries. It has a presence in 24 Islamic countries and is a partner in 22 Islamic banks. It owns some 300 industrial, commercial, agricultural, and tourist companies in Islamic countries and has assets of some \$5 million, mostly invested in Islamic lands.

In response to a question on why he turned to the Algerian public sector rather than the private sector, the bank president said that the private sector is still in its infancy in Algeria but this does not mean that it [the private sector] can not join Al-Barakah, especially since Islamic banks do not operate on the basis of interest on depositor and investor funds. Shaykh Salih 'Abdallah Kamil is therefore inviting the Algerian private sector to cooperate with him in the banking sector if it has the means to do so. Islamic banks, as he put it, use a different set of tools in the service of the creator of the universe and operate in accordance with shari'ah [ordained] rules for profit-making, leasing, partnerships, and speculation. [as published]

### Rome Seeks Primary Role in Algerian Trade

*91AA0417A Algiers AL-SHA'B in Arabic 14 May 91 p 1*

[Text] Rome (Algerian News Agency)—The Algerian-Italian economic conference, whose proceedings took place in Rome, was crowned by the conclusion of an important agreement between the Italian public industrial group, APRI, and six Algerian participating funds.

In this meeting, in which Algeria was represented by the Minister Delegate for Trade Organization, Mr. Smail Goumeziane, the two parties dealt with numerous agreements which have been concluded between them, especially in the field of gas, [regarding] which [an agreement] was concluded in December 1990, as well as the gas pipeline that links the two countries, the recent financial agreement concluded on 2 May 1991, and other commercial and financial agreements.

For its part, Italy believes that only 30 percent of the potential for cooperation between the two countries has been realized, and that Algeria represents—added the director of the Italian Foreign Trade Institute—Italy's most important North African partner, and we will make efforts in the future toward making Rome Algeria's primary industrial and trading partner.

### Joint Algerian-Turkish Company Established

*91AA0417B Algiers AL-SHA'B in Arabic 12 May 91 p 3*

[Article by 'A. Djelali]

[Text] Algiers—A protocol agreement was signed yesterday afternoon at the Algiers Hotel to establish two joint companies. The partners in the joint ventures will be the National Organization for the Supply of Household Electrical Materials, AYNABIM and the large commercial and industrial group of Turkey, Koch. The signing ceremony was attended by Mr. Smail Goumeziane, the Minister Delegate for Trade Organization, and Mr. Rahmi Koch, the chairman of the Koch group, a leader in electronics and household electrical appliances.

One company will produce 100,000 refrigerators per year, and the other will have the capacity to produce 150,000 multi-channel televisions per year.

Regarding the capital shares of the two companies, the Algerian party's share was set at 49 percent and the Turkish party's share was set at 51 percent. AYNABIM's capital share in the refrigerator company will be \$5 million, while that of the Turkish side will be \$20 million, which will be invested by the Archelik Company and the Ramdis Ticaret Company, whose capital shares in the refrigerator company will total 45 percent and 6 percent respectively. Regarding the initial capital of the mixed company to produce televisions, AYNABIM's share will be \$5 million, while that of the Turkish side will be invested by the Bikutechnique Company and the Ramdis Ticaret Company, whose capital shares in the television production company will total 6 percent and 45 percent respectively. The investment sum has been set at about \$12 million.

The refrigerator production unit will be established in the Governorate of Oran and will create 700 jobs, while the television production unit will be built in the Governorate of Annaba and create 350 jobs. The establishment of the two units is considered important, because it strengthens Algerian-Turkish relations. The Koch group, which is building the two units, was founded 63 years ago, includes 69 companies active in different industrial operations, and had an operational figure totalling \$9.5 billion at the end of 1990.

Mr. El Hadjdj Mohamed M'chrara, the general director of the AYNABIM organization, who signed the agreement for the Algerian party, stated, in his remarks at the signing ceremony, that products produced by the two units, which will be very up-to-date models, will begin entering the markets in early 1992. He indicated that this

agreement, which is the Koch group's first industrial investment abroad, reflects confidence in Algerian reforms, and it establishes the credibility of national economic cadres abroad.

### **Companies Ready To Exploit New Gold Mine**

*91BA0401B Algiers AL-SHA'B in Arabic 8 May 91 p 3*

[Text] Algeria (Algerian News Agency)—A protocol agreement has been signed regarding the consolidation of six organizations, which have been commissioned to prepare for the exploitation of gold mines at Haouqar. The protocol agreement was signed at the People's Palace in the presence of Abdelaziz Belkhadem, the chairman of the Popular National Assembly; Sadek Boussena, the minister of mines and industry; Hacene Kahloche, the minister of transportation; and senior Algerian officials.

This agreement was signed by the general directors-in-chief of six organizations subordinate to the mines sector. These organizations include the National Non-Ferrous Materials and Useful Materials Organization, the National Mining Resources Exploration Organization, the National Iron and Phosphate Organization, the National Salt Organization, the National Marble Organization, and the National Mines Development Organization. The agreement was signed on the 25th anniversary of the extraction of mining resources [in Algeria].

Mr. Boulhaouajeb, the general director-in-chief of the National Non-Ferrous Materials Organization, which originated the project, emphasized that the six organizations are participating in a study of the project and preparations to exploit the mines, which are located in the two areas of Tirk and Mesmaha in the governorate of Tamanrasset. The cost of the project has been estimated at more than 1 billion Algerian dinars. The project remains open to all national, public, business concerns.

Mr. Boulhaouajeb added that these mines, which cover an area having a diameter of 400 km, will be suitable for exploitation within four to five years. He stated: The matter depends on these organizations' technical and financial capabilities to implement this project, which will have positive economic effects on the region, because it will help stabilize the region's population, create jobs, and provide opportunities to exploit other metals. He also pointed to the need for state participation in carrying out basic aspects of this project.

For his part, Mr. Boussena highlighted the mining sector's importance to the national economy, stating that the Finances Law allocated 40 billion dinars for mining exploration. He also stressed the need for flexible legislation to establish new formulas for partnerships with foreign investors. v

### **Commentary Points Out Bias in Nomination System**

*91AA0388A London AL-SHARQ AL-AWSAT in Arabic 17 May 91 p 14*

[Commentary by Qasi Sali al-Darwish]

[Text] In the following analysis, Qasi Salih al-Darwish deals with the disinclination of historical symbols in Algeria to enter the election campaign. He believes that this disinclination has gained Prime Minister Mouloud Hamrouche a "50-percent" electoral victory.

Mouloud Hamrouche, the Algerian prime minister, achieved half of an electoral victory when he was able to eliminate all of his rivals and possible competitors in the National Liberation Front [FLN] from the electoral lists formulated by the nominating committee subordinate to the FLN's general secretariat. The list of nominations surprisingly excludes figures who are not only influential in the FLN, but also in the electoral districts to which they are affiliated. The most prominent of these figures are el-Hadi Khediri, the former minister of interior and transportation, and Belaid Abdesselam, the minister of industry and energy under the late President Houari Boumeddine. The two were excluded along with other influential elements, such as Abderrezak Bouhari, even though they have previously obtained the credibility of the FLN's bases in their communities as well as the personal, oral blessing of Abdelhamid Mehri, the FLN's general secretary. Accordingly, Khediri and Belaid decided to run as independents on their supporters' urging. They obtained the 500 signatures needed to run for nomination, even though they had little time left before the closure of nominations. Indeed, many who had intended to run were unable to obtain the requisite signatures, especially given that the law requires not only the submission of these signatures, but also the signers' authentication of their signatures before the court.

Thus, Mouloud Hamrouche was able to impose new candidates connected to himself and his personal political program. He was aided in this by the disinclination of many FLN stars, such as Mohamed Salah Yahiaoui, Taleb el-Ibrahimi, Abdelaziz Bouteflika, and Mohamed el-Cherif Msadiqa, to run for elections, either for the FLN or as independents. Clearly, these figures did not choose to boycott and abstain from the turmoil of elections out of fear of losing, for they enjoy true popularity among FLN bases and in the districts to which they are affiliated as well as throughout different areas of Algeria.

It is certain that the method by which the lists of nominations were prepared and the names that eventually went on them constitute a true break with the historical FLN, because they upset the balance that has been based on inter-generational coexistence in the FLN, co-existence which was entrenched officially in the FLN's 6th and most recent convention. The practical translation of this break is the complete freeing of

Hamrouche's hand regarding both the FLN and the government, which had not been the case until now, at least theoretically.

Many observers do not hesitate to consider what happened a true coup that has occurred in stages to gain control of the FLN, despite the presence of historical elements in the Front's central committee. This coup could not have succeeded had it not been for the valuable, effective help provided by Abdelhamid Mehri to Mouloud Hamrouche in Mehri's capacity as FLN general secretary and one whose view is listened to by President Bendjedid, who is still theoretically and formally the chairman of the FLN. Abdelhamid Mehri managed to attenuate the sharpness of the disagreement between Hamrouche and FLN personalities and prevent this disagreement from erupting decisively and conclusively at the political organization level of the front. Although Abdelhamid Mehri is among the original FLN group, for reasons and calculations that are still unknown, he has gone along with the slogan of getting rid of the older, veteran leaders in favor of "the youths," a slogan being promoted by Mouloud Hamrouche in opposition to the "historical legacy" that frames the FLN and outlines its ideological background.

By means of this break, Hamrouche aspires to kill more than one bird with one stone. First, he aspires to get rid of all personalities whose influence must be taken into account in any calculation, so that only those indebted to him alone for their political existence—those whom it is easy to regulate and deal with, and whose loyalty is easily maintained—remain in the government and the political organization, because Hamrouche's underpinnings lie not so much in ideology as in personal interest.

Second, he wants to facilitate possibilities of forming a political alliance with groups and parties historically antagonistic toward the FLN or its ideological background. Foremost among these are the two parties having a Berber leaning, the Socialist Forces Front and the Rally for Culture and Democracy, in addition to the communists and perhaps several fundamentalist wings.

Third, he wants to flirt with segments of youth who are not politicized, and who are influenced by the preferred government slogan: Open the doors to the youths.

Fourth, he wishes to restrict President Chadli Bendjedid's options to a single option, namely Mouloud Hamrouche, which is a very important issue in Hamrouche's calculations. Even if Hamrouche can carry some of his nominees to the National Popular Assembly and thus obtain political legitimacy independent of the legitimacy that he has derived from President Chadli Bendjedid to date, he will continue to need President Bendjedid to ensure coverage of any political alliance that he needs to form. President Bendjedid, despite numerous indications in recent months of his dissatisfaction with Hamrouche's policy, has clearly not undertaken any signal or action to impede Hamrouche's personal program, even

when several of the president's friends and family members were exposed to difficulties [due to Hamrouche's program]. What is surprising is the passivity of all FLN luminaries. This consensus on boycotting the elections cannot be a product of chance. It could be explained by the absence of a desire to join Hamrouche in having to bear the negative consequences of the government's economic policy when the economic crisis is worsening in a way that threatens mass unrest in the streets, regardless of which party wins in elections.

However, this does not mean that Yahiaoui, Taleb el-Ibrahimi, Bouteflika, Msadiya, and others have decided to retire and abstain from the political arena. There is no doubt that each and every one has an individual and collective plan regarding the near future. As long as Hamrouche has excluded them by means of a coup or a quasi-coup, either all at once or in stages, the door to coups in the FLN has been opened. They are capable of undertaking a counter coup that would not be linked to the coming elections, but to results of those elections. During previous months, they more than once called for the FLN's separation from the government or permission for it to shift to the opposition. At present, Hamrouche has seized the apparatus structures of FLN and has abandoned its historical legacy and principles. They can declare a new party based on this historical legacy and the FLN's achievements during the war for independence and President Houari Boumedienne's tenure. As for the name, "National Liberation Front," it is their property too, especially given that Hamrouche has distinguished his front with the name "Democratic National Liberation Front."

The absence of these historical personalities in the coming elections will not have a decisive effect on their standing in the political arena, because most of the leaders of the other parties, with the exception of Hocine Ait Ahmed, have not submitted their candidacy, including such prominent leaders as Ahmed Ben Bella, Abassi Madani, Ali Belhadj, and Mahfoud Nahnah.

Hamrouche's 50-percent victory in the FLN threatens to become a total defeat if its second half is not achieved in the coming elections. Until that time, all eyes will be on Interior Minister Mohamed Salah Mohammedi, who played a decisive, significant role in formulating the list of nominations. Will he have the same role on 27 June 1991?

## EGYPT

### Fundamentalist Group Assassination List Uncovered

91AA0409A London AL-SHARQ AL-AWSAT in Arabic  
22 May 91 p 5

[Article: "'Those Confident of Victory' Organization Splits From 'Jihad,' Prepares Assassination List"]

[Text] Cairo (AL-SHARQ AL-AWSAT)—At the headquarters of the Egyptian Supreme Prosecutor's Office for State Security, ongoing interrogations of members of the organization "Those Confident of Victory"—the most recent organization to split from "Jihad"—have uncovered many startling surprises that have helped police and investigators grasp all the ramifications of this new offshoot which specializes in political assassination and self-financing.

Based on nearly completed interrogations of members of the organization, which carried out two armed burglaries in 'Ayn Shams and Shubra al-Khaymah, and preliminary interrogations of perpetrators of a third operation at al-Zaytun on the eve of the Lesser Bairam holiday, AL-SHARQ AL-AWSAT has learned the dimensions and details of this new organization. The investigations have established a number of facts about the organization: The new organization formed in January by splitting from its mother organization, Jihad. It took the name, "Those Confident of Victory," because its members were impressed by the war operations of Desert Storm, which was going on at the time, and because they hoped to achieve quick victories in their tactical and strategic goals.

The organization's membership includes young people previously arrested in a number of cases of violence and assassination that took place during the eighties. These cases include confrontations with the police in 'Ayn Shams, several disorderly public marches and demonstrations, setting fire to video clubs, and throwing homemade bombs at a number of stores, cinemas, and theaters.

Faced with a complete refusal to fund their ideological and military movement, the members of the organization decided to rely on themselves. They based their action on the publication of a fatwa that legitimized the use of funds seized from non-Muslims.

The organization has defined a number of directions for its activity:

- Monitoring non-Muslim owned stores that sell gold jewelry in certain outlying areas that house a number of group members in order to aid in concealment and camouflage.
- Seizing as many pieces of gold jewelry as possible. These are not sold in Cairo or al-Jizah, but taken to the governorates of Upper Egypt (al-Fayyum, Asyut) or others such as Alexandria or al-Sharqiyyah, to prepare for another stage.
- Buying weapons and ammunition and constructing home-made bombs to help in carrying out military operations.

The investigations also revealed that the organization has prepared a plan to demonstrate its presence on the political scene by carrying out a series of assassinations of police officers, particularly those working in the prisons department. The pretext is that these officers mistreated organization members while they were being

held in previous cases. Also uncovered was a plan to assassinate the writer Faraj Fawdah on the pretext that his writings foment strife between two elements of the [Islamic] nation.

In carrying out its plan, which included joining and participating in military operations or hiding stolen goods, the organization took advantage of all the circumstances surrounding it and of the fact that its members are from a single neighborhood. Twenty members living on the same street in Rawd al-Faraj district have been arrested. Their living together resulted from a desire for secrecy and for successful completion of operations.

At the same time, the organization used women and children members in operations to pass instructions or hide stolen goods.

Although the organization seized large quantities of gold artifacts, sold them in a number of areas, bought weapons, and recruited new members, the recent police strike and ongoing judicial investigations have helped deliver the coup de grace to it and its members while the organization was still in its cradle and eradicate this group that strove to spread a climate of fear among citizens and disrupt national unity. According to experts, the success of the security operation can be traced to the following points:

The organization's founding members, who formed the organization's so-called "Shura Council," were all figures well-known to security agencies. They had been previously arrested in a number of cases, including ones still being tried, such a case of arson involving video clubs.

To carry out its plans quickly, the organization and its leaders sought the help of criminal alignments to make use of their expertise. This was after the fatwa approving the seizure of the wealth of non-Muslims. These alignments included:

- Arms dealers in a number of areas. The latter, however, quickly informed the police of the movement, its goals, the kinds of units purchased, and where they were being hidden.
- Persons who were notorious for having participated in cases of theft, looting, and counterfeiting. They also informed the police about the plans.
- Persons in the habit of buying scrap gold artifacts and known for obtaining them from cases of theft. The police were notified because these dealers felt that the case was unusually dangerous. Large quantities of gold, valued at 3 million pounds, had been offered. Furthermore, in its last days the organization's members were thinking of new operations against the stores that had bought the stolen goods. This would keep them from revealing the secret and would provide more fast funding.

The officers who had been chosen for assassination were living in outlying areas. They were provided with guards for their homes. This made it easy to uncover the

attempts while they were still in their initial stages. Shots were fired, wounding a number of members of the organization.

The organization lacked a definite ideology aimed at defining tactical and strategic plans. It failed to make contact with the masses to convince them of any issues that would alleviate their problems. This made it easy for the organization to lose its balance and fall and caused other extremist organizations of whatever denomination to be careful and cautious. They feared becoming involved with the movement and kept under cover until conditions should become quiet.

The investigations revealed that attempts at contact between these elements and the military wing of the mother organization, Jihad, ended in failure. The latter organization objected to the split as being contrary to a call that the convicted 'Abbud al-Zamr published in an opposition newspaper for the formation of an extremist front to include all currents to confront what he termed "the new challenges."

The investigations launched against members of the organization, and particularly those concerning the plan for goods seizures and political assassinations, have yielded the following results:

All attempts by the organization's members and leaders to obtain outside support from any country, even those with cool relations with the Egyptian government, failed. The organization was therefore compelled to fund itself by itself.

The organization's members had the misfortune of falling quickly into the hands of the police because of the intensive campaign to arrest the fugitive Safwat Ahmad 'Abd-al-Ghani, leader of the military wing of the Islamic Jihad organization, who is the second defendant charged in the assassination of Dr. Rif'at al-Mahjub. The campaign focused on several members of the Jihad organization, including members of "Those Confident of Victory," who were keeping a large part of the stolen property. This made it easy to uncover and arrest them.

On the other hand, the charges that the Supreme Prosecutor's Office for State Security has leveled against the 50 defendants constitute a turning point that the organization's members consider more serious, since no political charges were brought against them involving organizations, their methods, their manner of direction, and their goals of overthrowing the regime. These charges were omitted in favor of the following:

1. Armed burglary of stores selling gold jewelry
2. Possession of guns and bombs
3. Attempted premeditated murder
4. Criminal agreement to commit incidents disturbing public security

5. Accompaniment of the crimes with other crimes such as wearing police uniforms.

These are crimes punishable by death or by hard labor for a term or for life. Not satisfied with this, the investigative agencies have rushed to complete the Shubra al-Khaymah and 'Ayn Shams case, so as to bring it to trial quickly. The same procedure will be used with those charged in the al-Zaytun case.

Finally, among all the extremist groups that use violence as their form of activity, this group is the only one that has relied completely in its activity and military operations on criminal elements. This affiliation constituted a dangerous turn that the police considered new for these organizations—a turn intended to bring them out of the isolation that the security agencies have imposed on them. The move has led to the following:

1. A large number of criminals previously charged with rape, theft, and murder have been recruited into the ranks of the organization. According to security experts, this has been a double-edged sword. On the one hand, implementation has become more of a threat due to the professional experience of the criminal elements. On the other hand, these elements fear having to bear complete responsibility, ending perhaps in capital convictions. This has made them ready to inform the police, come forward to testify, and cause any punishment against them to be dropped, so long as they inform [the police] before the crime is committed.

2. The existence of criminal elements has imposed certain conditions that have constituted a change of outlook. For example, they have insisted on getting two-thirds of the loot and stolen goods. This has been met by refusal, opening the door to physical liquidations.

3. The large quantity of stolen goods and the large sum realized from their sale have created a state of panic among members of the organization, who have turned from their goals in the area of religious call and politics to personal objectives, marriage, investment, and business.

#### **Minister Details Plans for Selling Public Sector Hotels**

*91AA0423A Cairo AL-WAFD in Arabic 6 May 91 p 3*

[Article by Muntasir Sabir and 'Adil Sabri: "Public Sector Hotels Are for Sale. Sales Revenues to Help Pay State Debts and Build New Tourist Areas. Workers are a Problem for Investors Willing to Purchase Enterprises"]

[Text] The Ministry of Tourism and Civil Aviation has prepared a memorandum detailing public sector ventures to be sold to the Egyptian-foreign private sector over the next three years. The memorandum includes a long list of ventures ready for divestiture and of others that can not presently be offered for sale because of problems with others. The memorandum discusses the objectives of the divestiture mandated in negotiations

with World Bank officials in Cairo last March. Those objectives focus on maximizing direct sales receipts in order to pay down Egyptian government debts, and on the gradual divestiture of all public enterprises in accordance with the timetable negotiated with the World Bank.

Such divestiture is a major step with serious economic and social implications. AL-WAFD has therefore interviewed a number of officials in the tourism sector in order to learn how the divestiture will be implemented and how the problems of manpower and accumulating company debt will be handled.

Fu'ad Sultan, Minister of Tourism and Civil Aviation, emphasizes that the private sector must play a more significant role in promoting tourism and tourism investments and that the public sector must lead the way to new endeavors too risky for the private sector, such as providing needed infrastructure. He explains that the objective of privatization is to reimburse the state for losses incurred by public enterprises over many years. Divestiture proceeds will be turned over to the state for investment in more vital ventures that the state would not have [otherwise] been able to underwrite in the immediate future.

Fu'ad Sultan points out that not all public enterprises will be sold and that divestiture will take place over time in order to make it possible to evaluate each stage and to identify the elements of success and failure. Furthermore, there is a dearth of investors able to put up the billions of dollars needed to acquire all the companies offered for sale.

He emphasizes that depressed prices would cause heavy losses were the state to rush divestiture despite weak investor ability to make immediate acquisitions.

The minister of tourism says he will effect the divestiture with deliberation as he sets about increasing the capital of public enterprises by recycling their purses to add new fiscal potential for developing and for launching new ventures. A special development unit will be created to build tourist projects in new towns and regions. When the private sector is able to reach those regions with strength and vigor, the unit will sell the ventures and use the proceeds to develop other regions.

#### Difficult to Divest

Nabil Darwish, president of Egyuth, points out that divestiture faces many difficulties. Enterprises, for instances, lack definitive authority to privatize. Governorates, local governments, and other agencies meddle in sales negotiations and make things very difficult for investors who begin to doubt the seriousness of government policies to divest of tourist projects. He points out that the Cairo city government frustrated the transfer of a deed to the Arab investor who bought the Meridien hotel on the pretext that the land on which the hotel is built used to belong to the governorate prior to 1962.

Kamal Kandil, president of Egyptian Hotels Corporation, points out that the state has tended to liberalize the hotels and tourism sector as far back as 1954 when it approved the construction of the Nile Hilton and delegated its management to an American firm. The state recognized that considerable economic gain results from separating ownership and management. That was followed by a series of state-owned world-class hotels operated by Egyptian and foreign specialized management firms.

Kamal Kandil emphasizes that the separation of ownership and management, as a first step towards privatization, helped modernize 75 percent of older state-owned hotels at a time when the state was financially unable to underwrite the cost. This also helped boost the return on investment, making it possible to defray some of the losses accumulated by public enterprises in the course of 30 years.

The president of the Egyptian Hotels Corporation adds that current government policies aim at privatizing all hotels owned by the state wholly or jointly with the "mixed sector." He points out that the Egyptian Hotels Corporation's stated strategy for the next three years is to evaluate four wholly owned company hotels—Sidi 'Abd-al-Rahman, Cecil, Sheherezade, and Shepherd's—and offer them for sale to Egyptian and foreign investors after USAID completes a relevant feasibility study; which it will do without cost [to the Egyptians].

The Corporation has also proposed to Minister of Tourism Fu'ad Sultan that some of the shares be sold to employees and the remainder traded on the stock exchange or sold directly if it commanded a worthwhile price. Kamal Kandil adds that the Continental hotel will be sold. It occupies 14,000 square meters on land valued at 80 million pounds. There is also another proposal to build a commercial complex to house a business center and some local airlines and tourist agencies. The complex would cost 300 million pounds of which the Corporation would contribute 20 percent after the old hotel is demolished and the tenants compensated.

Kamal Kandil emphasizes that income from the sale of enterprises will help pay state debts as well as reduce inflation and the balance of payments deficit. Excess funds will be used to develop governorates such as Southern Sinai, Luxor, Aswan, and the Red Sea which are rich in antiquities but lack accommodations. The public sector will have responsibility for initiating the development and improvement of new tourist communities. Public enterprises, therefore, will not completely disappear and the public sector will still have a role to play as it progresses to a more advanced stage. He points out that England, Japan, and some Arab countries have made offers to purchase public sector hotels as soon after state approval as possible. The presidents of public corporations will also be given broader authority in project management.

Even though divestiture studies are proceeding briskly, the ministry has failed so far to resolve the fate of employees of state-owned hotels. Potential buyers refuse to commit to employees and insist that the state bear severance costs. Until divestiture operations actually begin, AL-WAFD calls for safeguarding the rights of employees as they have spent lifetimes serving the tourism sector under both the public and private sectors.

### **Antimonopoly Laws Demanded To Stabilize Goods, Prices**

*91AA0406A Cairo AL-JUMHURIYAH in Arabic  
24 May 91 p 4*

[Article by 'Ala' Mu'tamid]

[Text] Economic experts have called for the promulgation of new legislation in the near future to curb the monopolization of the prices and supply of goods during the current stage of economic liberalization.

The experts emphasize that several prices of some goods increased during the initial stage of the transformation process, and that the second stage is expected to see cases of monopolization, a phenomenon which leads to increases in the prices of, and the control, of some goods.

Commercial law professors maintain that the current law does not provide for penalties that suffice to deter monopolization. They called for the drafting of new legislation that is compatible with the next stage, the establishment of a flexible apparatus to intervene at critical times to maintain price balance, the encouragement of investments in new projects, and the maintenance of price balance by increasing the production of goods expected to be monopolized.

Dr. 'Ali Lutfi, a former prime minister, states that economic liberalization means leaving the determination of prices to the forces of supply and demand and market mechanisms; it also means protecting and caring for low-income persons, which is important and necessary in the first stage of the implementation of this system.

### **The Need to Prevent the Monopolization of Prices**

The most important aspect in which the state should intervene, he stresses, concerns the need to prevent monopolization, because anyone who monopolizes goods under this system seeks to realize the highest possible profit by raising prices, which makes it difficult or impossible for low-income persons to obtain these goods. According to him, cases of monopolization can be handled suitably through one of the following means:

- The enactment of economic legislation that controls and regulates the circulation of these goods.
- A governmental effort to increase production or to import large volumes of goods which the government sees being monopolized or virtually monopolized in the market.

- The state's encouragement of investment in production of all goods, especially those which could be monopolized or virtually monopolized.

### **The Enactment of Antimonopoly Laws**

Dr. Midhat Hasanayn, a professor of economics at the American University in Cairo, agrees on the need to enact economic legislation and laws to counter monopolization following the model of countries that apply the free economic system.

He states that the shift toward economic liberalization in which Egypt is now engaged will be carried out in two stages.

The first stage entails a shift away from the state's control and monopolization—through public-sector agencies, organizations, and companies—of all economic activity areas, and movement toward freeing individuals and private companies to compete with public-sector companies without discrimination or preference being given to one sector over another.

Cases of monopolization are not expected in this stage, which will last about five years.

The second stage, which is to follow the stabilization of economic conditions, is likely to see the emergence of blocs or groups that will attempt to gain control of the volume and prices of specific goods. These blocs actually exist in the capitalist countries, which have moved quickly to establish laws to counter monopolization and regulate market activity.

Jamal al-Nazir, the chairman of the Businessmen's Association states: The coming stage is expected to witness a natural increase in the prices of goods until the economic situation stabilizes and the principle of liberalization, which the state is trying to achieve, prevails. During this stage, economic blocs will emerge. They will strive to control the price of goods by controlling their supply in the markets. The state should intervene indirectly in such cases to preserve price balance in the market.

Jamal al-Nazir believes that such intervention can be through an efficient, flexible governmental agency that intervenes quickly at critical times when prices become disorganized, or when a monopoly or near monopoly emerges, especially regarding the prices of food and essential goods.

This agency should be provided with a comprehensive data and information base on market activity, market mechanisms, the prevailing level of prices, and the volumes of supply and demand.

### **More Antimonopolization Legislation Needed**

Dr. Samihah al-Qalyubi, a professor of commercial and maritime law at Cairo University's Law School, states that Egypt's legislature has been concerned with preventing monopolies. Article 1 of Law 241 of 1959 prohibits a single distributor from monopolizing the

distribution of goods produced domestically and the importation of similar goods from abroad.

The Egyptian legislature has also stipulated, in Article 345 of The Penal Code, that individuals who raise or lower the price of grains, goods, bonds, or negotiable bonds, in relation to the prices of such items as established in commercial transactions, by intentionally disseminating false advertising or information among the public; by giving the vendor a price that is higher than that which the vendor demands by concluding a secret agreement with merchants of ill repute who possess a single kind of good or grain, according to which they agree not to sell that good or grain at all or to prevent its sale at a price lower than the price agreed between them; or by any other means of deception, shall be punished by imprisonment for up to one year, or a fine not to exceed 100 Egyptian pounds, or by both of these penalties.

The Egyptian legislature has also stipulated, in Article 346 of the Penal Code, that the minimum sentence stipulated in Article 345 shall be doubled if deception is practiced regarding the price of meat, bread, fuel, coal, or other basic needs.

Dr. Samihah al-Qalyubi stresses that the economic liberalization process on which Egypt will embark in the near future requires additional legislation and laws that regulate market activity and mechanisms and prevent monopolization, because existing legislation is not sufficiently deterrent.

#### Sales Tax Considered Threat to Industry

9IAA0424B Cairo AL-WAFD in Arabic 29 May 91 p 3

[Article by Sayyid 'Abd-al-'Ati: The Sales Tax Will Destroy Egyptian Industry. Dozens of Factories and New Plants Threatened With Closur"]

[Text] Nobody yet comprehends the new sales-tax law recently imposed by the government on imported goods, products, and machinery. The Finance Ministry's Complaints Bureau has received thousands of investor protests against that unfair legislation but Ministry of Finance officials are not responding to the inquiries and questions of the victims of this weird law!

Customs agents at all land, sea, and air gateways collect the new sales tax twice. The tax is levied once on the price of goods or machinery and again on the customs levy, driving the tax up to 60 percent. In other words, this is double taxation, which is against the law!

Businessmen and specialized scholars have expressed dismay over extending the tax to machinery and equipment for new plants. They emphasized at a symposium in Alexandria 13 May that the new sales tax has constricted investments in Egypt and created terrible economic stagnation. The businessmen wondered how Egypt can achieve economic development under that sales tax and under the government's system of "tributes."

I met in front of the Complaints Bureau of the Finance Ministry with a number of investors and manufacturers and asked them how the sales tax would shrink investments in Egypt, cause economic stagnation, and aggravate unemployment.

#### The Killing of Egyptian Industry

Muhammad 'Abd-al-Fattah Shita, owner of a textile mill in Shubra-al-Khaymah, insists that the new sales tax law will kill Egyptian industry and cause the closure of dozens of producing plants; discharging their workers and aggravating the problem of unemployment. He says that the law is flawed and is inappropriate to the country's conditions and economic situation.

He adds: The state demands increased productivity and export promotion in order to earn needed foreign exchange. How is that possible when it imposes exorbitant taxes on the imported equipment and machinery we need to operate our facilities? The new sales tax law, as we understand it, taxes goods and products for sale and not imported capital equipment. The law itself defines an importer as any "natural or juridical entity that imports taxable industrial goods and services for purposes of trading."

Shita adds: "I opened a letter of credit some four months ago and received government approval to purchase state-of-the-art textile machinery to retool my mill in order to boost productivity. Meanwhile, the new tax law was promulgated a mere two days before the machinery arrived at the port of Alexandria. Customs duties on the equipment shot up from 3.5 percent to 5 percent on top of a sales tax of 10 percent on the gross increase. In addition, the price of import dollars also climbed from 305 piasters to 320 piasters, for an aggregate tax of 451 percent [as published], or double the original levy, and not a mere 10 percent as claimed by the ministry of finance. This escalation renders us unable to pay the tax and consequently unable to operate our plants.

Sami 'Abd-al-Rauf, who owns a tomato paste factory, approached an Egyptian bank that does agribusiness financing and requested credit to import a tomato paste production line. Egypt's annual consumption of tomato paste amounts to 30,000 tons of which 22,000 tons are imported. He [Ra'uf] bought a site and built the factory at the town of Kafr-Sa'd in Damietta Governorate, obtained the necessary operating permits, and contracted for the importation of needed machinery and equipment. He adds: I was surprised 9 May with the promulgation of the sales tax law which applies to capital goods even though tomato paste is itself exempt, according to Appendix I of the new law. When I went to Alexandria customs for details of the new law I was startled to find that duties shot up from 3.5 percent to 5 percent in addition to a 10 percent sales tax on the gross increase in the customs levy. The state has therefore doubled the tax!

'Abd-al-Ra'uf adds: I have invested my funds in a facility to manufacture a product needed in the Egyptian marketplace and which costs us millions of dollars to import. I contribute to productivity and create jobs for Egyptian workers. Why, then, would the Egyptian government impose such exorbitant taxes that obstruct productivity and employment?

#### We Borrowed from the Banks

'Abd-al-Ra'uf continues: Most investments are financed by loans from the Industrial Development Bank which offers extensive credit facilities and helps investors with all kinds of guarantees. The imposition of the new tax will impede most of these [bank-financed] projects and will consequently frustrate investor ability to pay down loans. That would trigger a chain of events that might lead to the detention or imprisonment of some [investor-borrowers]. Let me propose to the government, should it insist on this inequitable tax, that it release to us our machinery and equipment and postpone the collection of the tax until we begin producing and are able to pay. We are unable to pay this tax at the present since most of us borrowed in order to import the equipment we need to operate our plants and boost productivity.

### ISRAEL

#### New Law on Mortgage Reforms Insufficient

*9IAE0423B Tel Aviv HA'ARETZ in Hebrew  
9 May 91 p 2*

[Interview with Tamar Benyamin, member of the "Victims of Mortgages" Association, by correspondent Yerah Tal of HA'ARETZ; place and date not given]

[Text] [Tal] The Victims of Mortgages Association offered your story as the best example illustrating the hardships mortgages have caused so far. Why were you chosen? [Benyamin] Seven years ago, we took out a mortgage of \$20,000 to buy a small apartment for about \$35,000 in Rosh Ha'ayin. When we began to pay the mortgage, the monthly installment was about 180 sheqels, which was approximately one quarter of the combined incomes of my husband and myself. Today, we pay 730 sheqels each month, which comes to three quarters of our income. Meanwhile, the mortgage, which is 100 percent linked with an annual rate of 6.5 percent, continues to go up each month, and we cannot see the end of it. Because of these mortgage payments, we have become stuck in a spiral of debts from which we do not know how to escape.

[Tal] How has that affected your family's life, at home and at work?

[Benyamin] The mortgage has made our life hell. As the monthly payments have increased, they have put a hole in our budget. To cover it, we have taken out loans and more loans to cover earlier loans from a number of banks. Today, the monthly payments on the loans

amount to more than 1,800 sheqels. As if that were not enough, my husband was out of work for a long time and received only unemployment benefits. He became depressed and almost unable to function. I myself long ago stopped keeping track of the extent of our debts. I simply do not have the strength to wrestle with them any more. Whatever we make now goes to pay off the debts, and almost nothing is left for our daily needs. I do not sleep at night, I cannot stop crying, we live in constant fear. The situation is intolerable, we can barely go on living with it.

[Tal] Do you believe that if you had taken that mortgage on the terms currently in effect, you would not have ended up in this situation?

[Benyamin] There might have been difficulties, but certainly not like these. You must remember that we took a 20 year mortgage during the period of runaway inflation, while mortgages now are for terms up to 25 years. Our mortgage was 100 percent linked, which was the key when inflation was going wild. Under the new law, mortgages will be linked only 80 percent to the cost of living index. The interest we pay is 6.5 percent, while the new law sets a ceiling of 4 percent on interest. I am glad that young couples getting married and taking out mortgages now have the benefit of the law. But what about the thousands of couples who got mortgages on murderous terms six or seven years ago? Will the authorities continue to abandon them and play games with mortgage terms? The law will not solve anything if no solution can be found for the hardships mortgages have inflicted on people up to now. There is no need to look on this as spilled milk or as an unalterable verdict. What has been done can be undone. They must ease our hardships and reduce the interest linkage level for us too. Otherwise, there may be thousands of happy young couples, but many thousands more will be devastated and desperate because the new law does not apply to them.

[Tal] The Treasury opposes the new law for improving mortgage terms on the ground that it will fuel inflation and raise housing costs. Are these not important arguments for nullifying the law?

[Benyamin] I am not a big-shot economist who can advise our fiscal guardians how to run the country's economic affairs. I know what I need to know to manage our household and look after my family. One thing I do know: On the mortgage terms set for me and thousands like me, it is impossible to live. We have enough wise men who can find a way to ease conditions for young couples and people without homes, without drastically affecting the national economy.

[Tal] If the mortgage is so dreadful that you are having difficulty meeting it, why did you decide to buy rather than rent?

[Benyamin] If apartments for long-term lease were built in Israel, we would consider that. But the situation today is that they lease to you for only a year and then force you

to move your family and all your possessions every 12 months from one apartment to another. You cannot raise a family that way. That destroys your self-confidence and your family's. What's more, rental rates have gone sky high because of the new wave of immigration. It is hard to meet those rates, too. I would consider selling the house and moving to a rented apartment but I am not sure that I would make enough on the sale today to cover all my debts. I could sell the house, then find myself without a home but still burdened with a heavy debt.

[Tal] The new law permits even those with old mortgages to abrogate the loan without incurring fees or penalties. Will you now try to abrogate your oppressive mortgage?

[Benyamin] If only I were able to do that. But what choice do I really have? I will switch banks and change one loan for another? So how have the wise men helped with their reform? The only way that I see is to spread our loan over a longer period and reduce the interest rate and the linkage level.

[Tal] What is your message to potential mortgage buyers and politicians who oppose the law?

[Benyamin] I have a thick file at home of dozens of letters I have sent to Knesset members, ministers and the housing ministry. I have invited them to visit our home and see what a mortgage has done to a couple that saw everything through rose colored lenses when they got married. The mortgage did not build me a house; it destroyed my home and my family. Not one of the politicians bothered to come and talk to us. The housing ministry warned us to keep quiet and stop writing letters or they would not look into our problems. We were quiet for a while, but nothing helped. The new law does not solve any of our problems, so I call on all those suffering from mortgages and without homes not to give in and to continue the struggle so that a young couple can settle in a house in this country without enslaving themselves for the rest of their lives or being forced as a result to take food out of the mouths of their children.

## MOROCCO

### CDTM, UGTM Call for Dialogue With Government

9IAA0413A Rabat AL-'ALAM in Arabic 19 May 91  
pp 1, 9

[Communiqué issued by the Executive Bureau of the General Union of Moroccan Workers and the Executive Bureau of the Democratic Labor Confederation, dated 15 May 1991]

[Excerpts] In a joint meeting held on Wednesday, 15 May 1991, the two executive bureaus of the Democratic Labor Confederation and the General Union of

Moroccan Workers carefully studied aspects of the current general situation and reviewed the labor demonstrations and struggles, including the joint demonstrations on 1 May. They issued the following communique: [passage omitted]

The two executive bureaus salute the legitimate struggles waged by the Moroccan working class in defense of its just demands, and they strongly criticize the position of the government and employers. The two also affirm their adherence to their demands.

The two renew their call to employ responsible dialogue and negotiations as a method to study and remedy the just demands of the Moroccan working class in fulfillment of the promises which were made by the government during previous negotiating sessions, and which the government expressed its willingness to keep. The two affirm the willingness of the working class to continue all forms of struggle to gain its rights, protect its gains, and obtain the demands it submitted to the government on the eve of the 14 December 1990 strike.

The two unions salute the Moroccan working class for the spirit of responsibility and discipline that it embodied in its joint demonstrations, thereby affirming its determination to fight and continue promoting the unity struggle to actualize the slogan under which 1 May has been perpetuated.

The two call for a fundamental review of the existing options, and the enactment of a true employment policy in the framework of an integrated plan that takes into account all levels of academic and vocational training for all unemployed capacities.

The two call for clearing the political air and replacing frustration and despair with hope and confidence through the release of all unionist and political detainees, the abrogation of provisions that were promulgated regarding unionist victims of the events of 14 December 1990, and the return of all suspended and dismissed persons to their jobs. These actions will clearly express the good intentions and the credibility of the political will claimed by official rhetoric.

The two call on the government to respect the criteria for selecting the rotating presidency of the labor delegation to the International Labor Organization according to the exigencies of the reality of the multiplicity of unions and the faithful representation of our central position.

The two call on the Moroccan working class and all national, regional, and domestic parties to escalate mobilization to confront all possibilities and to translate the demands in the slogans promoted by the workers on 1 May 1991.

### Ministry Issues Economic Indicators for 1990

9IAA0413B Rabat AL-'ALAM in Arabic 16 May 91 p 4

[Text] Official figures presented by the finance minister in a meeting indicate an increase in the growth of the

GDP to 3.1 percent in 1990, compared to 1.3 percent in 1989. The figures also indicate that the gross formation of fixed capital increased by 15 percent; thus, average investment (which reflects the ratio of the gross formation of fixed capital to the GNP) totalled 24.1 percent, compared to 23 percent in 1989. Also, industrial investments increased by 35 percent, compared to 40 percent in 1989.

Inflation, which is based on the development of cost-of-living indices, increased by 6.7 percent, compared to 3 percent in 1989 (and less than 3 percent in 1987 and 1988), and the treasury's deficit dropped to 3.2 percent of GDP, compared to 6 percent in 1989.

After arrears in domestic payments to the treasury increased by 2 billion dirhams in 1989, they dropped by 2.5 billion dirhams in 1990.

(However, this drop and the decrease in the treasury's deficit are due to tax measures included in the Law to Amend the Finances Law of 1990, primarily the payment of back taxes and the advance payment of taxes.

In another development, for the first time according to the finance minister, the financing of the treasury was characterized by a drop in the treasury's indebtedness to the banking sector, which declined by 3.3 billion dirhams, compared to an increase of 4 billion dirhams in 1989.

The deficit in the current account of the balance of payments dropped to 2.6 percent of GNP, compared to 4.2 percent in 1989. That development stems from a 23-percent increase in the proceeds of exports, a 23-percent increase in tourism revenues, and a 46-percent increase in remittances made by Moroccans working abroad.

The balance of payments deficit was financed primarily by the rescheduling of the foreign debt and its interest.

Foreign assets amounted to the equivalent of three months of imports at the end of 1990, compared to one month at the end of 1989, i.e., 21 billion dirhams.

Foreign debt servicing amounted to 45 percent of current, foreign revenues before rescheduling, and 24 percent after rescheduling, compared to 32.52 percent in 1989.

An understanding of the true measure of these figures and rates requires background information on how they were obtained and their meaning. Nonetheless, we have limited ourselves to presenting them as they were stated by the finance minister.

### Rights Committee Announces Detention Law Amendment

*91AA0413C Rabat AL-'ALAM in Arabic 19 May 91 pp 1, 9*

[Excerpt] The AL-TADAMUN newspaper, which is issued by the Moroccan Association for Human Rights, published, in its ninth issue of February 1991, a draft law prepared by the government concerning the amendment of several sections of the Criminal Detention Law. The draft, which bears the number 67-90, became law with the parliament's approval of it on 25 April 1991.

The amended sections are 68, 69, 82, 127, and 154 of the Criminal Detention Law, and section two of the Decree No. 74,448 on the force of law.

The most important amendments concern the following points:

- The cancellation of the possibility of the unlimited renewal of the extension of detention under visual guard regarding matters related to crimes involving the violation of internal or external state security. Such a possibility was introduced by amendments in Decree 62/9/18 to sections 68 and 82 of MJ [expansion not given].
- The duty to submit a suspect to a medical examination by order of the king's deputy or the examining magistrate, either automatically upon their observation of effects that warrant such an examination, or upon the request of the concerned party.
- The right to have a lawyer present at the public prosecution's initial interrogation of a suspect referred to the public prosecution regarding flagrante delicto misdemeanors punishable by imprisonment and flagrante delicto felonies, and at the examining magistrate's initial interrogation of the accused.
- The obligation to inform the family of the detained person immediately upon the report of his detention on the part of judicial police officers, who are also required to transmit a list of persons detained during the past 24 hours, daily, to the king's deputy and to the king's public prosecutor.
- The period of preventive detention ordered by the examining magistrate has been limited to two months subject to renewal five times, and subject to the possibility of the release of the accused and the continuation of the investigation of the accused if the investigation is not completed within the said period. [passage omitted]

### Official Discusses Convertible Dinar's Effects

*91AA0416A London AL-SHARQ AL-AWSAT in Arabic 31 May 91 p 12*

[Text] Rabat—A Moroccan financial official has stressed that the transformation of the Moroccan dinar into a convertible currency in 1993 is linked to the success of liberalization policies aimed at strengthening the economy and achieving a financial balance.

Ali Ammour, the director of the Currency Exchange Bureau (the official agency in charge of monitoring foreign currency), told AL-SHARQ AL-AWSAT that the lifting of all restrictions on exchange operations, including operations concerning the expatriation of capital, requires two basic conditions to be met: 1) an increase in the country's hard currency reserves, which reflects a qualitative development in the national economy rather than transitory circumstances; and 2) the improvement and strengthening of the competitive abilities of the national economy, so that it can confront foreign competition.

Mohamed Berrada, the finance minister, recently announced that the dinar may become a convertible currency in 1993, based on a number of measures to reform the Moroccan currency exchange system and to develop the national economy's performance.

Ali Ammour stated that the dinar's transformation also requires the banking sector's full willingness to develop the capacity to provide international banking services and financial administrative apparatuses similar to those in competing countries.

Regarding preparations by the Moroccan Currency Exchange Bureau to undertake this process in the future, Ammour described the changes that have been introduced to the currency exchange system in recent years as "essential." Restrictions have been lifted gradually, and residents can now effect most conversion operations directly through Moroccan banks. The changes also include operations pertaining to importation, exportation, foreign investment, tourism, and other foreign operations that can now be effected without obtaining prior permission from the Currency Exchange Bureau.

Ammour emphasized that these changes, in addition to the advantages that have been granted to the export sectors, the export sectors' use of convertible dinar accounts, and a resolution permitting Moroccan banks to invest, in the financial markets, hard currency deposited with them by foreigners—all of these changes can be considered tantamount to paving the way for the liberalization of the financial market.

Ammour also dealt with the regulations for which the bureau is responsible in its dealings with foreign investors and the guarantees stipulated by the currency exchange system. He stated that this system, because of the liberalizing measures taken recently, has assumed an important encouraging air, because investment operations undertaken in hard currency have been released from all restrictions and have been provided with all guarantees, whether for foreign investors or Moroccan investors residing abroad.

Regarding foreign investors, Ammour stated that a group of resolutions adopted on 1 March 1988 enable an investor to freely effect investment operations in hard currency. Investors can also now transfer their investment earnings directly through banking organizations without obtaining prior permission. Essentially, these

measures eliminate the need to obtain permission from the Currency Exchange Bureau regarding all investment operations in hard currency effected by foreign investors residing in Morocco or abroad. They also provide for the possibility of the transference of an investment between foreign investors, without the approval of the Currency Exchange Bureau, to effect, through the use of those foreign investors' deposits abroad, payment resulting from a sale.

The measures also include the automatic obtainment of a guarantee of the transfer of invested capital (including surplus value) and profits resulting from investment operations, and the ability to transfer all earnings arising from an investment directly through banking organizations without obtaining prior permission from the Currency Exchange Bureau.

Regarding Moroccan investors residing abroad, they can obtain, if they wish, a guarantee of the transfer of capital invested in hard currency and earnings arising from that capital.

Ammour stated that foreigners (residents and nonresidents) can open accounts with Moroccan banks in hard currency or in convertible dinars. He stated that among the advantages of these accounts is the free disposal of sums deposited in them, whether for expenses in Morocco or transfers abroad. Nonresident Moroccans can also open accounts in convertible dinars.

#### Measures to Encourage Exports

The export sector has also obtained numerous new facilities. It is now possible to export all Moroccan goods without obtaining prior permission. In early April 1991, the Currency Exchange Bureau issued a resolution aimed at encouraging the goods and services export sector by permitting exporters to open accounts in convertible dinars to the amount of 20 percent of the receipts of exported goods and 10 percent of the receipts of exported services.

These shares in convertible dinars are designated to cover all professional expenses abroad, including the payment of commissions to foreign intermediaries, advertising costs, the cost of scouting foreign markets, the cost of travel for professional purposes, investment operations abroad to enter new markets or maintain traditional markets, and many other expenses in the framework of encouraging and strengthening the goods and services export sector.

In this regard, Ammour indicated that the tourism sector, as an exporter of services, can use 10 percent of its hard currency revenues to cover its expenses abroad. Companies and offices that operate in the tourism field, such as travel agencies and car rental companies, can also benefit from this privilege.

Regarding travel agencies, they can now organize trips abroad regardless of whether these trips are for cultural,

religious, professional, or tourism purposes. This resolution aims at the recovery of the tourism sector in Morocco, and it is intended to give it a new boost, so that it can increase its hard currency receipts.

## OMAN

### Plans for Omanization of Government Positions

*91AE0439B Muscat TIMES OF OMAN in English  
8 Jun 91 p 1*

[Article by Felipe Olimpo: "R.O. 10 Million Five-Year Target Set; 3,000 Government Jobs To Be Omanised"]

[Text] Some 3,000 Government positions currently held by expatriates will be Omanised in the next five years.

Civil Service Minister Ahmad Bin-'Abd-al-Nabi Makki said "these posts will be taken over by qualified and trained incumbents."

Along this line, the minister told the "TIMES" his Ministry "will continue in the implementation of the educational and training activities detailed in the Omanisation plan.

The plan, according to him, "has been formulated in coordination with different Government units in accordance with their present and future (manpower) needs."

Two weeks ago, the Minister disclosed that R.O. [Omanis riyals]10 million had been set aside by the Government in the current Five-Year Plan for its Omanisation programme.

At present, only about 65 per cent of the Government's 68,000 employees are Omanis, although Mr. Makki considers it a big improvement over the 61 per cent level in 1988, the year he took over the Ministry.

In an earlier interview, the Minister admitted that attaining a higher level of Omanisation in the Government "is not easy."

The number of (Government) projects are increasing and the number of employees are increasing," while the local manpower supply is limited.

He said the Government was particularly in short supply of skilled personnel such as accountants.

"So we are giving greater importance to training."

In certain cases, he added, "we even send people for academic studies abroad" in order to meet requirements.

Mr. Makki stressed in his address to a meeting of Ministry Under-secretaries last month that Omanisation was not only meant to replace expatriates with Omani workers but, foremost, to improve public service productivity.

The programme would be rendered meaningless, he said, if the nationals who were to replace the expatriate workers in Government were inefficient.

As such, the Minister emphasised that the thrust of his Ministry in the present Five-Year Plan was the development of manpower in the Government sector, particularly the improvement of its efficiency and productivity.

"To achieve these goals, the ministry is tackling the matter from different angles and approaches," he told the "TIMES" over the weekend.

These approaches, he said, were aimed "at identifying and analysing the impediments of organisational structures, work procedures and manpower deficiencies" to guide the Government's administrative reform programme.

### New Merit Promotion System for Civil Servants

*91AE0439A Muscat TIMES OF OMAN in English  
5 Jun 91 p 1*

[Article by Felipe Olimpo: "'Promotions on Merit' System Soon for Civil Servants"]

[Text] The Ministry of Civil Service is finalising a new system of evaluating the performance of Government employees to ensure that only the meritorious get promoted.

Civil Service Minister Ahmad Bin-'Abd-al-Nabi Makki told the "TIMES" yesterday the new system will use "more modern concepts of merit rating."

He explained that a candidate for promotion will not only be evaluated on the basis of his "excellent achievements" in his current position but also on the requirements of the new post eyed for him.

"The new system of personnel evaluation is in the final stages of preparation.

Mr. Makki, however, didn't say when it would be implemented.

But he pointed out that the adoption of the new merit system was a big task for his Ministry as it involved the "structuring of new merit rating reports" for the manifold positions in the Government service.

At the same time, the Minister also revealed that the Ministry has introduced in the civil service a new scientific position classification plan "as one of the most modern techniques for organising personnel management activities on a rational basis."

The position classification plan specified the job description of every position in government making it easy for administrators to plan their day-to-day operations based on the existing manpower supply.

He also disclosed that the Ministry was preparing a manpower plan whereby the various offices in Government could project their manpower needs for the future.

"This will lead to the proper coordination between policy formulation regarding education and training, and the future needs of the developmental schemes and services and progressive expansion in the government services."

Warding off criticisms against the delay in the issuance of the Civil Service Law, Mr. Makki said the drafting of this law "is rather a complicated and tedious matter that needs a thorough and continuous review to ensure its smooth implementation."

The Ministry, he said, was still preparing the implementing guidelines which had yet to be submitted to "higher authorities" for approval.

The Ministry started drafting the law some years back and its issuance was expected months ago.

## SAUDI ARABIA

### Donations to Palestinian Mujahidin

*91AE0435B Jeddah ARAB NEWS in English 2 Jun 91 p 2*

[Article: "Kingdomwide"]

[Text] Prince Salman, governor of Riyadh and chairman of the Popular Committee for the Support of the Palestinian Mujahidin, has urged citizens and residents in the Kingdom to make donations to the Al-Quds fund for preserving Muslim shrines in the holy city until its liberation from Zionist occupation. (SPA)

### Petroleum Minister on Production Policy, Capacity

*91AE0415A Riyadh AL-RIYAD in Arabic 7 May 91 p 5*

[Text] Boston—The kingdom spared the countries of the world from having to suffer a severe oil crisis during the Iraqi forces' invasion of the fraternal state of Kuwait, when it moved quickly within the OPEC framework to increase its daily production to 8.5 million barrels per day [b/d] in December 1990.

Petroleum and Mineral Resources Minister Hisham Nazir stated—in a lecture dealing with the kingdom's development experience, which he delivered yesterday afternoon before Harvard University faculty and students and a large number of persons concerned with the oil industry and energy issues—that the kingdom realizes that it alone cannot bear the burden of stabilizing oil markets or containing oil price fluctuations. Rather, this burden is shared by all parties interested in avoiding economic confusion resulting from an imbalance in the oil markets.

He stated that the kingdom has realized that there are limits to its ability to achieve stability, because of the lack of cooperation between OPEC and non-OPEC producers. He emphasized the kingdom's desire for constructive cooperation between producers and consumers. He also dealt with the effects of the Gulf crisis and the effects of the situation in the oil market during the crisis. The following concerns that part of his lecture that deals with the kingdom's oil policy:

The kingdom has always helped to achieve market stability. Looking back, especially to when the Iranian revolution broke out and oil supplies from that country were interrupted from late 1978 until the spring of 1979, we find that the crude oil supply in the world consequently dropped by about 4 million b/d. Because the Kingdom of Saudi Arabia was fully aware of the lesson learned from the experience of the sharp increase in oil prices in the early seventies, namely that an increase in price negatively affects demand for several years and disturbs the oil market, Saudi Arabia increased its production to help compensate for the supply shortage stemming from the drop in Iran's production and to thus avoid a drop in oil demand, which would occur if oil prices were to increase again. Nonetheless, prices increased in the spring of 1979, even though the increase in production had reached a peak. Prices continued to increase, peaking in late 1979, despite no real shortage in the oil supply, which had then returned to precrisis levels. However, the market at that time had become very sensitive to the possibility of similar production drops due to the critical political situation in Iran: Any subjective expectation tinged with pessimism regarding a disruption in Iranian supplies had an extreme effect on prices, because buyers had then begun to show great interest in stockpiling oil as a precaution. Thus, we learned from the lessons of the past that prices sometimes increase greatly, not because of a drop in supply, but because of high demand to purchase oil for stockpiling purposes as a hedge against a possible shortage. Expectations of a shortage are usually driven by anxiety over an uncertain future. History took another turn when the Iraqi-Iranian war broke out in the fall of 1980. Following that conflict, we faced circumstances that led to a simultaneous drop in demand and prices. We thus became fully aware of the circumstances that lead to market stability or instability. The market remained in a state of turmoil and confusion until 1982, when indications of a surplus in supply began to emerge. Production began to increase substantially at a number of fields recently discovered in the North Sea, Mexico, and Alaska, to the point where the production of the non-OPEC states began to surpass that of the OPEC states. OPEC's problems began to get out of control. After its share of world production had totalled about 31.5 million b/d in 1979, OPEC found itself compelled for the first time to set a production ceiling at 18 million b/d in April 1982 to defend the market price, which was then about \$34 per barrel of benchmark oil.

The Kingdom of Saudi Arabia reduced its production in April 1982 to create conditions favoring the maintenance of a good return for producers. It thus played the role of the predominant producer. Among the factors that contributed to the enormous price that we paid to implement these production policies was the drop in the volume of our exports to the United States. Statistical sources in the United States also indicate a drop in the volume of these exports from 1,356 million b/d in 1979 to about 168,000 b/d in 1985. Putting that aside, it pleases me to say that the kingdom's oil exports to the United States, after five years, in other words, in January 1991, have resumed increasing to total 1.9 million b/d of crude oil and refined products.

There were limits to our ability to achieve stability in the oil markets due to a lack of cooperation between OPEC and non-OPEC producers. In 1986, in particular, the kingdom, in order to regain its declining market share, was forced to compete directly with other producers who were selling their oil at prices pegged to spot prices. That lack of cooperation had well-known effects on prices. The average price of oil sold to the United States during 1986, as estimated by U.S. Government sources, totalled about \$13.49 per barrel, compared to an average of \$36.48 per barrel in 1981, when the Iraqi-Iranian conflict began to develop. Naturally, this drop in prices had negative consequences for producers everywhere. According to IMF estimates, the oil exports of OPEC member countries dropped to \$79 billion in current prices, compared to \$265 billion in 1981.

Accordingly, the Kingdom of Saudi Arabia realized that it alone cannot bear the burden of stabilizing the oil markets or containing oil price fluctuations. That burden must be shared by all parties interested in avoiding economic confusion stemming from imbalance in the oil markets. These parties include the major oil consumer and producer countries inside and outside OPEC.

I would now like to deal with the Gulf crisis, which erupted in 1990. I understand that first-year students in your college have analyzed this crisis as an academic case study. When Iraq invaded Kuwait on 2 August 1990, the market was hit by an oil crisis caused by an interruption of supplies to the world market, estimated at 4.6 million b/d, or 6 percent of the average world production in 1990. The market could not predict when this crisis would end, and oil prices in contracts on the New York futures market increased from \$21.54 per barrel on 1 August to \$28.31 per barrel on 7 August, shortly before the dispatch of soldiers to the Gulf to liberate Kuwait.

It is also worth mentioning that futures market activity has become diversified during the past decade: Transactions were initially limited to heating oil, but crude oil was later introduced to speculation contracts as well, as represented in West Texas medium oil in 1983. Transaction activity regarding contracts for this oil has increased significantly in the past two years. It is no surprise that the volume of transactions regarding this oil recorded a peak average on 7 August 1990, when

contracts for it totalled 184,876, which represents about 185 million barrels on paper, or three times the volume of oil produced worldwide on that day, which is 66 million barrels. Although I do not wish to dwell on this point, I would indicate that, although futures trading has several advantages, it is worth contemplating the phenomenon of individuals who obtain profits through speculation regarding a commodity in which they neither actually trade nor have expertise. I will be satisfied with this observation regarding this topic at present.

In any case, the markets, after having been subjected to such crises, have become more efficient at digesting raw information, be it accurate or otherwise. As we learned from the experience of 1979, if the market is subjected to confusion, it becomes extremely sensitive to information regarding an interruption in supplies or any changes in the market principles that determine availability, quality, and geographical location of crude oil or refined oil product. When concepts concerning market principles are subjected to rapid change that surpasses ordinary conditions, differences in prices—which are based on differences between crude oil types, specifications, and geographical location, and qualitative differences between light and heavy refined products—expand in a way that also surpasses ordinary conditions. In other words, if the cohesion of market forces is subjected to erosion in such circumstances, a rapid increase is added to the value of current supplies when they are purchased and actually acquired.

This fluctuation in prices resulting from a change in concepts regarding the market's future was vividly clear in what happened in crude oil markets on 17 August 1990, with the start of the Gulf war. Changes that used to occur within the space of several days under normal conditions now took place within only a few hours. Only minutes after the air attack, the price of crude West Texas oil on the Tokyo market increased to \$40 per barrel. However, when it became completely clear that Iraq could not mount a counter air strike, and that the oil fields in the Kingdom of Saudi Arabia had become completely secure from air attacks, the increase in the price of actually-delivered oil subsided, prices dropped, and the closing price for Texas oil on the New York futures market dropped on that day to \$21.33 per barrel, a drop of \$10.56 per barrel compared to the previous day. Now, let us remember that the price of oil on 1 August, before the Iraqi invasion of Kuwait was \$21.54 per barrel.

Clearly, price fluctuations cannot be avoided in a market in which there is uncertainty regarding supply. However, if all parties interested in market stability cooperate effectively, it would be possible to mitigate price fluctuations in the market resulting from speculations, and to shorten the duration of such fluctuations. Producers can express, through general statements and individual actions, their intentions to cooperate with consumers to achieve market stability. For example, when OPEC member countries met on 26 August 1990 in Vienna to deal with the oil crisis, they issued a statement declaring

that "OPEC supports market stability and the provision of regular oil supplies to consumers." During that meeting, the member countries agreed on the need to increase production without limits to achieve those goals. At the same time, OPEC called on consumer countries to "participate effectively in the stabilizing process" through action by the International Energy Agency to take the necessary measures so that its member countries could draw on the oil reserves which they had accumulated.

The Kingdom of Saudi Arabia adhered to the commitments that it had expressed verbally regarding the Gulf crisis. We in the kingdom were producing about 5.5 million b/d of crude oil during July 1990, shortly before the Iraqi invasion of Kuwait. Because of the oil industry reorganization program that we had implemented, we were able to immediately increase production to 6 million b/d during August 1990. We continued to increase our production until it reached an average of 8.5 million b/d in December 1990. Thus, within three months, we were able to add an average of 3 million b/d to our previous supplies. Other producers helped by increasing their production as well. If production had not increased at this rate, there would have been a loss of control in the oil market, resulting in inestimable obstacles for industrialized and developing countries alike.

Thus, after the end of the crisis, and after measures had been taken regarding it, it seems that it was a crisis that resulted from attempts to guard against the worst events that we could imagine. It also resulted from confusion in the market due to the neutralization of Kuwait's refining capacity, which accounts for 7 percent of the world's refining capacity. There was also a sharp increase in the fuel requirements of the war operations. It seems that an opportunity now exists to continue contacts between producers and consumers regarding oil stockpiling with a view toward developing oil reserves as a main, rapid factor in calculations of oil supplies available to the market. These reserves can help achieve supply continuity and price stability. Regarding the refinement of oil, we and others have undertaken to continue efforts to improve the quality of products refined in the kingdom's refineries and in refineries in which we have a share outside the kingdom based on integration measures regarding joint projects pertaining to postproduction stages. We wish to enter into other joint projects in addition to our current projects, because we believe that our efforts in this field in the future will increase the margin of flexibility in the refining industry.

Now, what does the future hold in store for us? The American Energy Information Agency supplies part of the answer to this question. According to the agency, the United States will import 57 percent of its oil consumption needs in 2000, and the primary candidate to supply these imports is among the oil producing countries of the Middle East. This and other similar predictions frequently maintain the need for a close connection between producers and consumers, which is necessary

for the sake of mutual interests. No one has to think long to realize that the source of most of the world's oil needs will be Middle East oil.

The simplest axiom in economics points here to beneficial interdependence rather than a pretension of there being no such interdependence, or disregard of that interdependence. Both producers and consumers serve each other's interests better if they translate growing interdependence into a well-knit network of mutual interests.

Classical economists rightly call this political economics. We can ignore neither the political aspect of economics nor the economic aspect of politics, because they are intertwined organically. The political problems of our region, which possesses most of the oil in the world, should not be ignored if we wish to achieve stability in the world oil market. This also applies to oil producers, because their economic requirements cannot always be sacrificed on the altar of political exigencies in the consumer countries.

I am certain that true security and stability in the oil market can be achieved only through the closest cooperation between producers and consumers, and that among the most important aspects of that cooperation are efforts to integrate the oil industry on the world level.

The Kingdom of Saudi Arabia is most willing to play a constructive role regarding cooperation with the oil consuming countries. We have oil and a strong, efficient oil industry. We are also adopting a long-range outlook in our approaches, which enables us to mitigate the effects of damaging fluctuations in the short term and guarantee our profits in the long term.

#### SABIC First Quarter 1991 Profits

91AE0435A Jeddah ARAB NEWS in English  
26 May 91 p 11

[Article: "SABIC Profits Jump 34 Percent"]

[Text] Riyadh, May 25—The Saudi Basic Industries Corp. (SABIC) posted a net profit of SR[Saudi Arabia riyals]695.88 million by the end of the first quarter of this year, an increase of 34 percent over the same period last year, SABIC Vice Chairman and Managing Director Ibrahim Ibn-Salamah announced here today.

"The increase is the result of successful efforts to scale up production and marketing and enhance SABIC's position in international markets to confront the efforts of the rising cost of shipping, transport insurance and other economic effects brought about by the Gulf war," he said.

He added that production in the first quarter reached 2,454,800 metric tons, compared to 2,411,300 tons for the same period a year earlier. Total marketed production amounted to 2,103,800 tons compared to

2,572,200. Total sales revenue was SR2.226 billion as against SR2.034 billion in the first quarter of 1990.

Quantities marketed by SABIC marketing affiliates reached 857,000 tons, up from 746,000 during the period under review.

Moreover, Salamah added, the expansion projects already taking place at SABIC plants are on target, while other projects are on the planning table. When completed, the expansion will take total production up to 20 million metric tons a year by 1995.

"With these expansions, SABIC will retain its prominent position among international petrochemical exporters and producers," he said. "At the same time SABIC will continue to build on its role in the development programs for infrastructure, industry and agriculture in Saudi Arabia."

## SUDAN

### Al-Bashir Holds Talks With Iranian Minister

EA2305151891 Omdurman Sudan Broadcasting Service Network in Arabic 2145 GMT 19 May 91

[Text] Lieutenant General 'Umar Hasan Ahmad al-Bashir, Revolution Command Council chairman,

received Hojat ol-Eslam Mohammad Khatami, minister of culture and Islamic guidance in the Islamic Republic of Iran, at his office in the General Command this morning. The meeting was attended by Mr. 'Abdalrah Muhammad Ahmad, minister of culture and information.

After the meeting, Hojat ol-Eslam Khatami said that the meeting discussed methods of strengthening bilateral relations in line with follow-up agreements concluded during Lt. Gen. 'Umar al-Bashir's recent visit to Iran. He added that Mr. 'Abdalrah Muhammad Ahmad and he presented Lt. Gen. al-Bashir with two reports concerning the implementation of the cultural and information agreements between the two countries. He stressed that following up the implementation of the agreements was one of the objectives of his visit to the country.

The meeting also dealt with a number of international issues and there was a concurrence of views concerning the looming threats against the Islamic world and the Islamic states, in addition to the need for Islamic governments to rely on their masses to confront these threats.

Hojat ol-Eslam Khatami stressed that Sudan and Iran could cooperate in all fields.

## AFGHANISTAN

### Deputy Premier Denies Visiting Iran

LD0261916 Kabul Radio Afghanistan Network in Dari  
1530 GMT 2 Jun 91

[Interview with Deputy Prime Minister Dr. Mohammad Anwar Arghandiwal by Moktar Jobin; place and date not specified]

[Text] Dear listeners to Radio Afghanistan. In an interview with radio and television correspondent Moktar Jobin, Deputy Prime Minister Professor Dr. Mohammad Anwar Arghandiwal rejected a statement by [opposition leader] Gulbuddin Hekmatyar that a delegation led by Arghandiwal had visited Iran. We now draw your attention to this interview:

[Begin recording] [Jobin] Esteemed Mohammad Anwar Arghandiwal, deputy prime minister of the Republic of Afghanistan, as you know, in this morning's news bulletins of VOA, Gulbuddin Hekmatyar was quoted as saying in an interview that when a number of Mujahidin leaders visited Iran, at the same time a delegation of the Republic of Afghanistan led by you also visited Iran. Esteemed Arghandiwal, please state your view on this.

[Arghandiwal] Mr. Moktar Jobin, I should tell you that on 10 Sowr [20 April] I went to India for medical treatment [word indistinct]. I remained in India until 8 Jawza [28 April] for (?hospital treatment). Then I returned to my country. What was said by Gulbuddin Hekmatyar, or in other words, what was reported about me, that is, that I visited Tehran with a delegation or as the head of a delegation, is not (?true). I think that the information was incorrect. However, I am ready to go anywhere if it helps to bring peace and security to Afghanistan [words indistinct] especially at this time, when the possibility of resolving the political conflicts is improving. [passage indistinct]

We Afghans should use this peaceful condition between the two world superpowers and resolve the Afghanistan problem. Previously, some blame was directed at the two superpowers, and it was said that the cause for the continuation of war might be one or both of the superpowers.

At present, war inside Afghanistan is useless [words indistinct] for whoever fights now it seems that they fight to achieve power not for those aims which they targeted previously.

I have not travelled abroad or to Tehran either as head or as a member of a delegation for such purposes. I have said that if [words indistinct] anywhere far away from Afghanistan, I will spare no effort if it helps and if I am able to contribute to peace and security in Afghanistan. I repeat that it is necessary for the Afghan nation, and especially for the intellectuals of Afghanistan, to use existing international policies. [words indistinct] We

should end the war in Afghanistan and we should establish peace and tranquility. I think that whoever intends at this stage to fight for power and to cause death to young Afghans they are the ones who, I think lack sufficient information about the present international policies.

[Jobin] Esteemed Arghandiwal, we thank you for answering our question. [end recording]

### Cooperation Protocols Signed With Uzbek SSR

91AS1045A Kabul THE KABUL TIMES in English  
29 Apr 91 p 2

[Text] Kabul, 29 Apr (BIA)—A protocol of cooperation between the Ministry of Water and Power of the RA [Republic of Afghanistan] and the Ministry of Irrigation and Water Resources of Uzbek SSR was signed here yesterday by Mir Abdul Ghafor Rahim, Water and Power Minister and Ginatolin Rahim Abdullahevich, the visiting Soviet minister.

Likewise, a protocol on economic and technical cooperation was concluded yesterday between the Ministry of Agriculture of the RA and the Ministry of Irrigation and Water Resources of Uzbek SSR.

The protocol was signed by engineer Mohammad Ghurran, Minister of Agriculture of the RA and Ginatolin Rahim Abdullahevich, Minister of Irrigation and Water Resources of the Uzbek SSR.

## BANGLADESH

### Optimism Over Relations With India Questioned

91AS1041A Dhaka THE BANGLADESH OBSERVER  
in English 28 Apr 91 p 5

[Editorial: "Prospects on Watersharing and Territorial Question"]

[Text] Without rubbing hard one's eyes one seems to see signs of hope about a possible resolution of some key Indo-Bangladesh disputes, if what the newspapers have just reported is not a result of exaggerated optimism. Over the past more-than-one decade much water flowed down the Ganges and much talk across the diplomatic table without producing much. Foot-dragging on the part of our bigger neighbour matched by our wan hope once a Secretary or Ministerial or even state level talk was held still counsels cautious hope rather than outright hope rather than outright euphoria.

Although it is exactly this (i.e. something even simulating euphoria) would be no unnatural response from public and private quarters once they see that India means serious business so far as the return of Tin Bigha on the basis of a 'permanent lease' as stipulated in the 1974 agreement signed by the two countries and the Bangladesh's legitimate share of the Ganges water are concerned. [sentence as published]

Notwithstanding the Indian Supreme Court verdict given in May 1990 for carrying out an agreed swap of Daha Gram and Angorpota for Berubari (already made over to India) there could be no reason for delaying the execution of the court decree. The agreement was signed in a Foreign Ministers meeting of the two countries on October 7, 1982.

Quite propitiously perhaps the same bilateral negotiated scene reemerging as much as, maybe, change of heart on the Indian side occurring, a solution to this territorial dispute is perhaps not very far.

The Ganges water question has been as tough, if not tougher, only to set at naught series of Joint River Commission (JRC) meetings, between Bangladesh and India, almost at all levels of diplomacy. But a possible lack of political will on the Indian part has, according to analysts, been the chief obstacle to the sharing of the waters. It should therefore be cause for pleasure for Bangladesh that the recent two-day meeting at the level of secretaries of the two countries produced an agreement based on a decision to give "priority" to the sharing of the waters of the common rivers including the Ganges and the Teesta. Among the concrete steps agreed on is a joint technical team that will visit areas in both India and Bangladesh, 'which are dependent on the floods' and examine the 'ground situation', and report to their respective governments.

A joint press release following the end of the secretary-level meeting agreed "to intensify efforts to accomplish its assignment."

Bangladesh, for its part is reported to be working on a draft operational plan concerning the sharing of waters of Teesta for the next meeting to be held in New Delhi in July.

Much as we appreciate the seeming progress made over what has so far been a rather crawling process and prospect we cannot be fully reassured that a full resolution is just round the corner. Read between the lines the joint press release retains much of the procrastinoriness of the past delaying tactics, this time. Even so given the real will an answer to a long-disputed issue will not be hard to find, we believe.

If democratic India had been waiting for a democratic Bangladesh to emerge in order to strike a final deal over the waters of the common rivers, (of course on the basis of bilateral and international justice), that occasion and opportunity can be said to have come with the installation of a civilian government on the populist verdict rendered in a free and fair election. Good neighbourliness and honourable co-existence has been a consistently pursued regional and global policy of Bangladesh. India as a bigger neighbour and a leading member of SAARC [South Asian Association for Regional Cooperation] has certainly the higher bilateral obligation to make a positive move for mutual good relations to grow as a normal geo-political fact for Bangladesh and India.

### Army Chief of Staff Meets With Li Peng

91AS1035A Dhaka *THE NEW NATION* in English  
28 Apr 91 p 1

[Article, AFP from Beijing: "Khaleda Invited To Visit China"]

[Text] Premier Li Peng told Bangladesh's visiting Army Chief Saturday he hoped the new Government in Dhaka would continue to work for friendly relations with China.

Mr. Li told Lieutenant General Muhammad Noor Uddin Khan he hoped the Government of Prime Minister Khaleda Zia would "continue to enhance the friendly relations between the two countries," the Xinhua news agency reported.

The Premier asked Lt. Gen. Noor Uddin to convey greetings to Begum Zia and invited her to visit China at a convenient time.

The Army Chief of Staff told Mr. Li that Bangladesh held his November 1989 visit in high esteem and said the new government "treasures its friendship with China," the official news agency reported.

Lt. Gen. Noor Uddin arrived Wednesday for a week-long visit and has also met Defense Minister Qin Jiwei and other military leaders.

Chi Haotian, Chief of General Staff of the Chinese People's Liberation Army, met with and hosted a dinner for Noor Uddin Khan, Chief of Army Staff of Bangladesh, and his party here Saturday.

### Freedom Party Central Executive Meets

91AS1042A Dhaka *THE BANGLADESH OBSERVER*  
in English 27 Apr 91 p 1

[Article: "Freedom Party Against Change in Form of Government"]

[Text] The Central Executive Committee of Freedom Party in a meeting on Friday strongly opposed any move to change the form of government. No body sought people's mandate on it, the meeting said.

Presided over by Col. (Retd) Syed Faruque Rahman, Chairman of the Party, the meeting concluded on the day with a request to the party which has got people's mandate to remain on guard against the fifth columnist. Those who are trying to keep the government busy on side issues ignoring burning natural problems are doing so with ulterior motive, the meeting felt.

The meeting further said that the joint declaration of the three Alliances could not be the basis for either amendment to the Constitution or form of government. They party favoured continuation of the prevailing system.

The meeting further said that neither of the three Alliances sought people's mandate regarding the change of

the form of government or amendment to the existing Constitution, the meeting maintained.

### Constitution Amendments in Both Bengali, English

9IAS1043A Dhaka THE BANGLADESH OBSERVER  
in English 26 Apr 91 pp 1, 8

[Article: "Deputy Speaker's Ruling in JS; Amendment Bills To Be in Bangla, English"]

[Text] The Deputy Speaker of the Jatiya Sangsad [JS], Sheikh Razzak Ali, Thursday gave a ruling that a private member was required to furnish an English text of an amendment bill of which the Bengali version had already been submitted to the Sangsad Secretariat seeking amendment to certain articles of the constitution, reports BSS.

The Deputy Speaker ruling came on the bills submitted by several members to bring about amendments to various clauses of the Bangladesh Constitution.

Revaling the controversy in the House Wednesday over submission of these bills to the Sangsad Secretariat in Bengali and English languages, the Deputy Speaker clarified that it was required to furnish such bills both in Bengali and English and take it was not correct that in the past a member could go ahead with it by submitting such bill only in Bengali.

Giving his ruling in the matter, the Deputy Speaker said bills for amendments to the Constitution, from the first to the tenth, had all been placed both in Bengali and English languages.

This was done in accordance with Article 153(2) in which it was sought to preserve the bills in two authenticated languages proposed or adopted in the House.

Article 153(2) provides that "a text certified in accordance with clause (2) shall be conclusive evidence of the provisions of this constitution," provided that in the event of conflict Bengali and the English texts, the Bengali text shall prevail.

The Deputy Speaker further stressed that one must not lose sight of the fact that an amendment to a certain clause or article becomes part and parcel of the Constitution as soon as it is adopted. For this reason and in the interest of maintenance of consistency it is required that authenticated version of the resolutions should be kept both in Bengali and English.

The Deputy Speaker maintained that for this reason also the Sangsad secretariat made the requests to the members to furnish their amendment resolutions both in Bengali and English. And the members can do it any time, the Deputy Speaker said.

However, Sheikh Razzak Ali further stated that the amendment bills to the Constitution tabled as private members' bills, could be introduced before the House

following scrutiny by "the Committee for private Members Bill and Private Members Resolution" as laid down in Rule 223(1)(A) of the Rules of Procedure.

The committee, however, was formed only on April 24 and the amendment resolutions, as moved, could not be scrutinised within the period and could not be incorporated in Thursday's order of the day.

The Deputy Speaker expressed regret for that.

The Deputy Speaker said honourable members Mr. Rashed Khan Menon, Mr. Nurul Islam Moni, Mr. Suranjit Sengupta, Mr. Shudangshu Shekhar Haldar, Mr. Moudud Ahmed and Mr. Salahuddin Kader Chowdhury had drawn his attention to different articles of the constitution and rules of procedure and stated that there was no legal binding for submitting English version of any bill seeking constitutional amendments. Barrister Zamiruddin Sircar had opposed their statement.

The Deputy Speaker said Mr. Rashed Khan Menon stated that he had moved a bill seeking constitutional amendment in the second Jatiya Sangsad and he had submitted only the Bangla version of the bill. The question of submitting the English version of that bill did not arise at that time, Mr. Menon maintained.

The Deputy Speaker said it was not possible to scrutinise within a short time whether such a bill as stated by Mr. Menon was incorporated in the order of the day and whether that bill was discussed in the House at all. But it was not found in the concerned record that any bills submitted by private members were approved by the second Jatiya Sangsad.

Giving his ruling, the Deputy Speaker said six private members—Mr. Sudhangshu Shekhar Haldar, Mr. Mohammad Asaduzzaman, Mr. Nurul Islam Moni, Mr. Rashed Khan Menon, Major (Retd) Hafizuddin Ahmed and Mr. Abdus Samad Azad had submitted notices to the Sangsad Secretariat seeking amendments to different articles of the constitution.

Of them, Mr. Nurul Islam Moni and Mr. Rashed Khan Menon had submitted four notices each while the rest one notice each, he said.

He said all the 12 bills excepting the last one were submitted to the Sangsad Secretary with 15 days' written notice under Rule 72 (1) of the Rules of Procedure.

But these bills were submitted only in Bangla. Since English version of these bills were not submitted, the honourable members were requested by the Sangsad Secretariat to submit English version also.

As a result, Mr. Rashed Khan Menon and some other members drew his (Deputy Speaker's) attention as to whether the bills would be tabled in the house today (April 25).

The Deputy Speaker said the process under which the Constitution could be amended was clearly stated in

Article 142 of the Constitution. Article 3 of the Constitution state that "the state language of the Republic is Bangla." As per Article 153(2) of the Constitution, there shall be an authentic text of the constitution in Bengali and an authentic text of an authorised translation in English, both of which shall be certified as such by the Speaker of the Constituent Assembly.

Here the word Constituent Assembly should be specially noted, the Deputy Speaker said. The Constitution was adopted unanimously on November 4, 1972 after it was framed and codified and it was given effect from December 16, 1972. Immediately after the introduction of the Constitution, the Constituent Assembly was dissolved from that date.

The Deputy Speaker said it was stated in Article 1 (one) of the transitional and temporary provisions of the fourth schedule of the Constitution that "upon the commencement of this constitution, the Constituent Assembly, having discharged its responsibility of framing a Constitution for the Republic, shall stand dissolved."

In the backdrop of the above situation and in the light of the over-all situation, the Deputy Speaker said, "We shall have to explain Article 153 (2) of the Constitution.

Now there is no existence of any assembly in the name of Constituent Assembly. As a result the natural explanation of Article 153 (2) could be like this, that the members of the Constituent Assembly wanted that one certified copy of the Bengali version of the constitution and one certified copy of the English version of the constitution would be preserved by the Speaker of the Constituent Assembly. In short, the framers of the Constitution wanted the preservation of the original article or their amended articles in both the languages.

#### **Writ Petition for Presidential Polls Rejected**

*91AS1038A Dhaka THE BANGLADESH OBSERVER  
in English 8 May 91 p 1*

[Article: "Writ-Petition for Presidential Polls Rejected"]

[Text] The writ petition seeking mandate upon the Election Commission and the Chief Election Commissioner for holding elections to the offices of the President and the Vice-President by June 4, 1991 was summarily rejected on Tuesday by the High Court Division of the Supreme Court but it certified under Article 103(1)(2)(a) of the Constitution that the case involves a substantial question of law as to the interpretation of the Constitution. Now the appeal to the appellate Division of the Supreme Court lies as of right.

A Division Bench comprising Mr. Justice Md. Abdul Jalil and Mr. Justice Md. Badruzzaman of the High Court Division heard the petition that involves substantial question of interpretation of constitutional law as to

when the elections to the offices of President and Vice-President would be held and what would be the constitutional position of Mr. Justice Shahabuddin Ahmed as Vice-President appointed under article 55A if election to the vacant offices is not held by June 4, 1991.

In view of the certificate under article 103 the case will now be heard by the Appelate Division of the Supreme Court provided the appellant takes necessary steps to get the appeal ready.

The Judgement delivered by the High Court Division will be published after the receipt of authenticated copy.

Mr. M.I. Farooqui with Mr. Mohammad Mohsen Rashid appeared for the petitioner, Mr. M. Saleem Ullah. Mr. Abdul Wadud Bhuiyan, additional Attorney General appeared for the Republic.

#### **Former Communications Minister Hossain Arrested**

*91AS1040A Dhaka THE NEW NATION in English  
30 Apr 91 p 1*

[Article: "Anwar Hossain Arrested"]

[Text] Former Minister Anwar Hossain has been arrested yesterday and put under detention for 120 days under Special Powers Act, a PID [Press Information Department] handout said last night.

Later, the former Minister was sent to Dhaka Central Jail last night, the handout added.

Police said Anwar Hossain was arrested from near Parliament building at around 9 pm and served with an order of detention for 120 days under the Special Powers Act of 1974.

Jail sources said the former Communication Minister was taken inside the Central Jail at 10-20 pm. He was given division.

Anwar Hossain who took oath as MP [member of Parliament] on Saturday was on the wanted list and asked to surrender to the Dhaka Jail authorities. But he evaded the government order and went into hiding.

His dramatic entry into heavily guarded Parliament building and taking oath evoked criticism in and outside Parliament.

Opposition members in Parliament Sunday expressed their surprise how a wanted man could enter the House evading the watchful eyes of security.

**Cases Against Former Government Members Filed**

**Deputy Prime Minister, Food Official**

*9IAS1037A Dhaka THE BANGLADESH OBSERVER in English 28 Apr 91 p 1*

[Article: "Case Against Moazzem, Chand Filed"]

[Text] The Bureau of Anti-Corruption has filed a case with Ramna thana against former Deputy Prime Minister Shah Moazzem Hossain and former State Minister for Food Nurunnabi Chand for causing financial loss to the government by their illegal order through abuse of power, an official handout said in Dhaka Saturday, reports BSS.

According to the handout, the Directorate of Food in 1989 bought nine lakh pieces of jute sacks through tender to meet its demand. But afterwards, Shah Moazzem Hossain who was in charge of the Food Ministry then, passed an illegal order on the Food Directorate to buy nine more lakh pieces of jute sacks although there was no demand for those, the government thus suffered a loss of Taka 2.15 crore, the handout said.

The Bureau of Anti-Corruption filed the case against Shah Moazzem Hossain and Nurunnabi Chand under Rule 5(2) of Law Number 2 of Anti-corruption of 1947.

**Industry Minister, Wife**

*9IAS1037B Dhaka THE BANGLADESH OBSERVER in English 29 Apr 91 pp 1, 8*

[Article: "Mosharraf, Zeenat Chargesheeted"]

[Text] The Bureau of Anti-Corruption on Sunday submitted with the court a charge-sheet against former Industries Secretary A.K.M. Mosharraf Hossain and his wife Begum Zeenat Mosharraf for misuse of Government properties and transports for their personal use, reports BSS.

An official handout said that a case in this connection was earlier filed with the Motijheel Police Station by the Bureau of Anti-Corruption on January 1, 1991.

The handout said, after enquiry it was found that Begum Zeenat Mosharraf had used 10 transports of BCIC [expansion not given] for mainly personal use such as going to friends' houses, beauty parlours, shopping centres and fetching milk from house of the milkman.

While Mr. Mosharraf Hossain personally used six air coolers and two freezers despite knowing that those belonged to the Government, the handout said.

The case filed with the Motijheel Police Station observed that about Taka four and a half lakh spent for fuel consumption of ten transports were not refunded to Government as per rules.

It further said at the instigation of his wife, Mr. Mosharraf Hossain used six air coolers worth Taka six lakh and two costly freezers at their residence.

The handout said the charge-sheet has been submitted as the allegations made against them has been established.

**Textiles Minister**

*9IAS1037C Dhaka THE NEW NATION in English 6 May 91 p 8*

[Article: "Two Cases Filed Against Howlader"]

[Text] Two separate cases have been filed against former textiles minister Mr. Ruhul Amin Howlader by the Anti-Corruption Bureau for obtaining financial benefit by abuse of power, reports BSS.

It was alleged in the first case that Mr. Howlader, in connivance with Mr. Shahnewaz Talukder, a former agent of the Monnoo Textile Mills, misappropriated a security deposit of Taka 30 lakh which was supposed to be forfeited in favour of the Bangladesh Textiles Mills Corporation (BTMC). The bureau has also filed a case against Mr. Shahnewaz.

The second case filed against Mr. Howlader stated that while holding the charge of the textiles ministry, he abused his power to violate the existing rules and allot 685 bales of cotton to ten dealers on monthly basis, with the ill-motive of obtaining financial gains for himself or help the concerned dealers gain financial benefit.

**INDIA**

**GNLF New Move for Separate Gorkhaland Criticized**

*BK1461417 New Delhi THE HINDUSTAN TIMES in English 6 Jun 91 p 11*

[Editorial: "Ghising at it Again"]

[Text] The signals that emanate from Darjeeling which suggest that the Gorkhaland National Liberation Front [GNLF] is toying with the idea of reviving the agitation for a separate Gorkhaland State are portentous. Given the track record of the GNLF, particularly its proclivity to resort to violence, the threat cannot be brushed aside. Ordinarily, the development means that the two-year-old Darjeeling Gorkha Hill Council experiment has failed. It has not really satisfied Mr Ghising. The GNLF has blamed the State Government's apathy towards the development needs of Darjeeling and the highhandedness of its policy machinery which acts at the behest of the CPI-M [Communist Party of India-Marxist] for its disillusionment with the running of the council. However, it is quite clear that there is more to the move than is apparent. By common consent, the council has failed to live up to the expectations of the people. Unable to match up to his public image, the GNLF supremo and council chairman, Mr Subash Ghising, has been on the

look-out for excuses for his administrative and political lapses. While he waxes eloquent on the resource crunch that the council faces, he has no explanation for the non-utilisation of some funds allotted last year. Little surprise, many of his comrades-in-arms, who were fed up by his idiosyncrasies, have left him to chart their own independent political course. And to confound his problem, the CPI-M, which had virtually withdrawn from Darjeeling during the GNLF agitation, has re-established its presence in the region much to the chagrin of his supporters.

The waning influence of the GNLF and its leader may find a reflection in the results of the elections to one Lok Sabha and three Assembly seats in the region held on May 20. Thus, there is some urgency to the need to divert the attention of the people from his failures. Besides, the possibility of being rendered a political nonentity is something which perhaps he dreads. It is against this backdrop that Mr Ghising has, of late, been stridently espousing emotive issues like inclusion of Gorkhali [language] in the Eighth Schedule of the Constitution. His latest demand for withdrawal of all Central Services officials from the area and a virtual ban on the arrest of his councillors betray his megalomania. If the GNLF central committee at its June 8 meeting decides to take to the agitational path, it is bound to be lapped up by those sections of the party which never agreed to the giving up of the demand for a separate State when Mr Ghising entered into an agreement with the Government three years ago. Needless to say, the resumption of the agitation will destroy peace and jeopardise Darjeeling's tourism industry which has started looking up after the severe setback it suffered during the previous agitation. Efforts are, therefore, necessary to ensure that the move to revive the agitation does not fructify.

#### HINDU Editorials Following Assassination

##### **Party Realignment, Consensus Urged**

91AS1034A Madras *THE HINDU* in English  
23 May 91 p 6

[Text] As the gruesome assassination of Rajiv Gandhi is still sinking into the consciousness of a numbed nation, with people all over the country expressing their deep sense of grief and outrage, some regarding Rajiv Gandhi's loss as a personal bereavement, it is most important to remain calm. The shocking circumstances of the death of the former Prime Minister have naturally caused widespread fear and unrest. Just as in 1984 after the death of Indira Gandhi, there was a heavy toll in human life, there is a need to be absolutely vigilant. Until now, the situation all over appears to be under control, with the feelings of anger and grief appearing to be well bridled in most places. The Army has been called out as a precautionary measure in the Capital and this is no doubt helping to keep a firm hand on what is potentially an extremely volatile context. At all costs the situation must not be allowed to degenerate into anarchy.

It will take a while before the gory truth of who or which force was behind Rajiv Gandhi's murder emerges. One thing is clear that there was a shocking breach of security procedure at Sriperumbudur which cannot be completely pinned on Rajiv Gandhi's newfound inclination to shrug off the protective ring that kept him from the people. The appointment of a Supreme Court judge to investigate the assassination should help unravel the circumstances and the details. The country should wait until some definitive evidence is found before jumping to any hasty and angry political conclusions which if translated into retaliatory action on the ground would cause an already ignited situation to explode.

The murder of Rajiv Gandhi highlights the fragility of the national security situation. One reality that seems to have come to stay is the spectre of terrorism that has relentlessly stalked this country's leading politicians and felled them, even as it has been spreading terror in various parts of the country. It speaks for the stranglehold that India has become of the various terrorist threats, be it the Punjab extremists, the ULFA [United Liberation Front of Assam], the Kashmir militants or the LTTE [Liberation Tigers of Tamil Eelam] that the slaying of Rajiv Gandhi is difficult to ascribe to any particular group. Rajiv Gandhi collapsed at the hands of terrorists as his mother did, symbolising in a most dramatic fashion the extent to which the country has become vulnerable to the dictates of sick minds.

Without doubt, the sordid plot conceived by a ring of sick minds has completely changed the political situation out of recognition, tossing many of the givens up into thin air. All the issues that had dominated the landscape until Tuesday night have receded somewhat into the background, the foremost concern being the country's security and integrity.

The country's security is in peril today and it might not be an exaggeration to say that things have come to this horrifying pass because of the obsessive preoccupation of the last two years of the leading players in the political spectrum with their own survival and dominance. The consequence of this turning inward has been the weakening of the customary sense of vigilance in regard to national security. The death of Rajiv Gandhi demonstrates the contempt with which terrorists treat this country, knowing that they can strike at will with impunity.

It is obvious that those who killed Rajiv Gandhi were apprehensive of the prospect of his return to power for whatever reason best known to them. But the point is that they were signalling their absolute disregard for Indian democracy and were seeking desperately to subvert a potential democratic verdict. Given that this is the nature of the challenge, the major national parties, including the Congress(I), the National Front, the left parties, the BJP [Bharatiya Janata Party] and the SJP [Samajwadi Janata Party] cannot afford to be looking to

settle their own scores or even to be calculating what possible political gain can be made from this present situation.

The plea that the newspaper has made time and again in other contexts that there must be an attempt to evolve a consensus on the major issues on the national agenda acquires a poignant relevance today. Unquestionably the key question today is the protection of this country's national unity, integrity and security from the internal and external saboteurs bent on weakening this country. The second critical issue is the need to protect democracy in India. There is justifiable pride in the resilience of Indian democracy and certainly the worst attitude to adopt in this period is cynicism or defeatism. That would suggest a demoralisation that would be a welcome signal to the forces that have sought through Tuesday's catastrophe to strike at this country's sense of security.

As we see it, the first step for the national parties to take is to identify the threats to national integrity and democracy as the major issues on the horizon today and to evolve a consensus on how to tackle these threats. Trying to score points here would be at India's expense. The second step which we believe is the best way to insulate this country in the long-term is to embark on a realignment of centrists political forces on the basis of a programmatic or conceptual understanding. The gravity of the crisis requires a commitment from all the national parties to respond in a concerted fashion. The Congress(I)'s choice of a new leader should base itself only on the consideration of who would best lead the defence of national interests. The Congress(I) Working Committee's offer of the party presidentship to Mrs. Sonia Gandhi suggests that calculations of dynastic appeal are outweighing all other considerations. This is certainly not a healthy sign. The Congress(I), the National Front and the Samajwadi Janata Party should begin right now to actively explore the possibilities of closer political coordination which alone would ensure a cohesive and firm response to the internal and external threats to India's survival as a nation. Rajiv Gandhi has paid with his life for the rapidly deteriorating security environment in India. There can be no more risks taken with this country's ability to provide a safe and secure environment for its own development. The realignment of political forces and the adoption of a consensus on the critical issues are the only methods by which the country can be pulled back from the brink of self-destruction.

### Choosing of Sonia Scored

91AS1034B Madras *THE HINDU* in English  
24 May 91 p 6

[Text] Mrs. Sonia Gandhi must be congratulated for her rejection of the Congress(I) Working Committee's offer of the presidentship of the party because that suggestion reflected the brazen attempt of a coterie within the party to retain power at all costs in the post-Rajiv era. Had Mrs. Gandhi accepted the offer, there was a strong possibility that at one stroke the Congress(I) would have

forfeited all the popular sympathy that was flowing its way as a consequence of the brutal assassination of Rajiv Gandhi.

What was particularly shocking in the party working committee's "unanimous decision" to elect Mrs. Gandhi to succeed her slain husband was the crudity with which certain people in the party were trying to manipulate the sympathy factor, using her as some kind of mascot or totem. It also revealed the extent to which the century-old party has been pathetically reduced to abject dependence on the mystique of a single dynasty. Turning away from traditions of political leadership that it should be proud of, including the fact that it was the inheritor of the organisation that played a major role in obtaining Independence and that it represented the interests of a broad coalition of classes, the Congress(I) chose to place total reliance on the charisma of the Nehru-Gandhi dynasty.

The manner in which the election of Mrs. Sonia Gandhi was hustled through on Wednesday reflected the desperation of the coterie of power-brokers who have been reigning supreme at 10, Janpath until the assassination. There had already been a strong current of resentment within the party at the coterie's dominance of party affairs at the expense of the seasoned and experienced senior members. It was in recognition of this criticism that the late Rajiv Gandhi was at pains to explain in his days as an Opposition leader that he was indeed broad-basing his counsel. The nomination of Mrs. Gandhi was a coup pulled off by this group, secure in the knowledge that none in the party would dare oppose the choice of Rajiv Gandhi's wife.

One reason given for the anointing of Mrs. Sonia Gandhi as her husband's heir was that at this time, particularly when the country was still to go through two more stages of the election process, the party could not afford to take on the burden of the prospect of internecine feud and the scramble for the leadership that would inevitably follow. It was also said that Mrs. Gandhi's appointment as president of the party was distinct from the leadership of the parliamentary party, confirming the feeling that the party bosses were attempting to use Mrs. Gandhi to squeeze every iota out of the wave of public indignation over the assassination.

But the implied insult to the several leaders in the party whose claim to lead the organisation are much stronger because of their political experience as also the impression that a craven Congress(I) was exclusively relying on dynastic appeal could well have had an adverse impact on the sympathy factor and could have even handed over the elections on a platter to the BJP [Bharatiya Janata Party].

This is the crucial moment at which the several distinguished veterans in the Congress(I) must take stock of the party's prospects, its future and what ought to be its direction. The death of Rajiv Gandhi was a horrifying indicator that the political context is spinning out of

control. The fundamental premises of governance which held India together since Independence are under seige. If the party wants to retain political relevance, it will have to return to its moorings as an umbrella organisation reflecting a broad coalition of interests. It will have to consciously rebuild its image as the friend of the minorities and the Scheduled Castes. It will also have to preserve assiduously the broad cosmopolitan appeal and modern world view that is a valuable legacy of the Nehru-Gandhi traditions of leadership.

This is an opportunity for the Congress(I) to regain the leadership of the centrist forces and the only way this can happen is for the party too revitalise itself and bring in genuine internal democracy. A start would be to choose a new leader through a democratic election.

## IRAN

### U.S. Proposal Term 'Interference' in Region

*NC2704120191 Tehran ETTELA'AT in Persian  
20 Apr 91 pp 2, 13*

[Abolqasem Qasemzadeh commentary: "A Safe Haven by Transforming Saddam"]

[Excerpts] 1. The "safety zone" for the accommodation of Iraqi Kurd refugees will be in Iraq and will be protected by U.S., French, and British forces. This plan was announced before it was approved by the UN Security Council's Resolution 688, and the American forces entered Iraqi territory from the Turkish border to establish refugee camps. The Saddam government rejected the plan, calling it interference in Iraq's internal affairs. [passage omitted]

With the establishment of safe havens, the British prime minister hopes to reap maximum political capital at home during the upcoming local elections and boost his Conservative Party (as opposed to the Labour and Liberal-Democrat Parties.)

2. Reports of foreign assistance from the United States, Britain, and France are accompanied by strong propaganda to consolidate the position of the allies all over the region, in the event of the continuation of the war in Kuwait [as published]. In practice, the allies will forge the political destiny of the entire region. They will have a practical plan to bring the concept of the "new world order," controlled and directed by the United States, closer to reality. [passage omitted]

3. The presidential elections in the United States and national elections in Great Britain for prime minister have affected the political atmosphere for two parties: the Republicans in the United States and the Conservative Party in Britain. Therefore, George Bush, who calls himself the "victorious hero" and the leader of the new world order, wants his victory and foreign policy to overshadow all the United States' domestic problems and thus control the entire international situation. John

Major, the leader of the British Conservative Party, sees his victory as dependent on the success in the Persian Gulf crisis. In general, the Middle East has become the arena for U.S. and British politicians' maneuvers to maintain political power in their home countries.

4. George Bush has refrained from military intervention in Iraq for two reasons: first, he did not want another Vietnam war; second, because an attack on Iraq for the purpose of toppling Saddam is illegal. However, he has officially conceded that he wants Saddam removed and he [Saddam] can then lead a civilian life in any other country, like the "Shah" or "Marcos."

British, French, and other Western statesmen raised the issue of trying Saddam as an international criminal like "Hitler." However, Westerners reject all military intervention to remove Saddam, but they approve of a coup d'état as a result of their policy. Their main pastime is pondering what the future government of Iraq will be.

It appears difficult, in fact, impossible, that the Westerners will be able to keep Saddam in power. Even more than a military coup in Iraq or a change of government, they would prefer a political dismemberment of the Islamic Middle East in order to accomplish their overall plan and to divide the region into countries with which they could have political ties. The West would accept any government in Baghdad with Saddam's subservience but not his "psychosis." [passage omitted]

5. Parallel to the Iraqi crisis and in an atmosphere of continuing reporting and propaganda, is U.S. Secretary of State Baker's mission on the so-called resolution of the Palestinian issue. His consecutive visits to Syria, Egypt, Saudi Arabia, and Israel have transformed the issue of an international conference on the "Palestinian issue" to a conference limited to the presence of Syria, Egypt, Jordan, Saudi Arabia, and Israel, controlled and directed by the United States.

The occupied Jerusalem regime has so far welcomed the U.S. plan; Egypt and Saudi Arabia have also announced their concurrence. Syria and Jordan have not yet displayed any serious opposition to this plan. Syria has announced some conditions that the United States termed plausible and worth studying.

Even though it is not possible to be confident about the success of such a session, the very propounding of such a proposal is another step toward weakening the position of the Palestinians and of reducing the Palestinian issue to a regional issue limited to five countries, instead of an Islamic-Arab issue. The Americans act on the principle of snuffing out any Islamic-revolutionary movements or trends, of changing the developments in the region to nationalistic ones, and of manipulating the forging of ties between the Arabs and Zionists, so that Israel can enjoy durable stability. [passage omitted]

The complete fragmentation of the Islamic Middle East to the level of smaller neighboring countries with their

own limited problems, in the aftermath of the political-ideological solidarity of the Islamic revolution of Iran led by the imam—peace be on him—which was bestowed on this region and people (with the concept of a unified ummah), will result in the degeneration of the vast geographical and political Islamic atmosphere into a narrow fortification of limited interests and small adjacent governments within a special political setup.

From this vantage point, the Palestinian issue has no connection with the Persian Gulf crisis, and the crisis will not hinder the United States in expanding the new Camp David schemes. Based on such a concept, the United States has achieved a politico-military presence. Thus, at the beginning of the 1990's it is striving to expunge and invalidate the experience of the Islamic revolution of the past two decades and to substitute the revolutionary presence and uprising of the people with mere relations between governments.

#### **Resumption of U.S. Ties Termed 'Irrelevant'**

*LD0105120791 Tehran IRNA in English 1008 GMT  
1 May 91*

[Text] Tehran, May 1, IRNA—Head of Iran's Strategic Research Center Hojjat ol-Eslam Mohammad Musavi-Kho'iniha termed as "irrelevant" any discussion on resumption of ties with the United States.

Addressing a group of university students here Tuesday [30 April], Kho'iniha added that the United States has been the cause of all problems in the Persian Gulf region. The United States paved the way for the Iraqi ruler to become a power and consequently created the present situation in Iraq.

He also termed as "very dangerous" the plan designed by the United States and the West to set up a safe haven in northern Iraq. He said through the move they are encouraging the regional countries to create centers of trouble in the Middle East similar to Israel.

On economic policies, he expressed doubt that a market economy would be successful in the country. To establish social justice, there are two approaches: one being based on a market economy and laissez-faire and the other on eradicating poverty and boosting income, he explained.

#### **Britain's 'Conditional' Assistance Criticized**

*NC2604192991 Tehran ABRAR in Persian 21 Apr 91  
p 12*

[Unattributed Commentary: "London and Its Conditional Assistance to Iraqi Refugees"]

[Text] Millions of homeless Iraqis walked toward the borders of the Islamic Republic of Iran. The climate is such that if necessary measures, such as providing shelter immediately to these people, are not taken, a large number of them will be in mortal danger.

The Iraqi refugees headed toward two countries, Turkey and Iran. Ankara declined to let them into its internationally recognized borders, but received international aid. No detailed reports have been received about how food or health assistance was distributed to the Iraqi refugees. Those reports that have been received note an increase in deaths on the Turkish borders. The armed humanitarian Turks even begrudge drinking water to their homeless neighbors.

The Islamic Republic of Iran opened its borders and hurried to assist with all of the resources at its disposal. It also called on relevant authorities, the so-called human rights advocates of the world, to help. The increasing presence of Iraqi refugees in the Islamic Republic of Iran is eloquent testimony to the difference in the attitude of our country's officials and people to the victims of this horrible catastrophe.

After a visit to our country, the UN High Commissioner for Refugees also stressed the need for dispatching aid to Iran. Prior to her visit to Ankara and Tehran, Mrs. Lynda Chalker, the British deputy foreign minister, implied in an interview that Western aid to refugees in Iran would be conditional upon the release of Western hostages in Lebanon. London's declaration of such conditions is not surprising, as London's foreign policy follows the international policy of Washington. However, it is necessary to mention a few points:

- The combatant Lebanese groups are independent in their decisionmaking and will accept the Islamic Republic of Iran's intercession only on the basis of fraternal and religious links.
- If the West is so eager for the release of hostages in Lebanon, it should use its own influence for the release of Iranian hostages in Lebanon and Muslim prisoners in the clutches of the Zionist regime.
- The Islamic Republic of Iran did not take the initiative in establishing ties with the Western countries, and with Britain in particular, and thus is not compelled to accept their conditions. If necessary, we will continue to provide assistance to the Muslim Iraqi refugees, with the help and support of our people. It will be up to the people of Iraq to clarify their position with the Baghdad regime. It appears that the era of Thatcherism has not yet been terminated in London, just as its subservience to Washington has not ended.

#### **Editorial Urges Broader Ties To Japan**

*NC315102791 Tehran TEHRAN TIMES in English  
28 May 91 p 2*

[Editorial: "There Is Still Time for Japan"]

[Text] Japanese Foreign Minister, Taro Nakayama, arrived in Tehran yesterday for a two-day visit during which he will have talks with high-ranking Iranian authorities and will also visit the Iraqi refugee camps.

Iran and Japan have maintained relatively good relations in the post-Islamic-revolution era, and the bilateral ties noticeably have improved after the visit to Japan by President Hashemi-Rafsanjani in 1985 when he functioned in the capacity of Majlis speaker.

But there is still great scope for expansion of ties between Iran and Japan, which is actually one of Iran's three biggest trade partners. Iran feels closest to Japan among the seven greatest industrial nations, and there are several reasons for this attitude.

To begin with, Iran and Japan are among the most ancient oriental civilizations in Asia and share many cultural affinities.

Secondly, Japan has never had a colonial presence in Iran or Middle East and consequently the Iranians have never had a negative image of Japan.

Thirdly, as compared with the attitude of the other members of the seven big industrialized nations, Japan preserved a much more neutral stance during the eight-year Iran-Iraq war.

Fourthly, Japan has been pursuing a more or less independent policy on some of the ideological and cultural differences between Iran and the West (such as the Salman Rushdie affair) and has never been unduly impressed by Western propaganda on such matters.

The above considerations provide suitable backgrounds for expanded relations between the two countries, especially in view of the fact that Iran and Japan managed to resolve their financial differences over the petrochemical project last year.

It is nevertheless true that Japanese statesmen have failed to take adequate advantage of their special position in Iran. At the end of the war and with the beginning of the reconstruction phase, Iran was prepared to have comprehensive programs of cooperation with Japan, but unfortunately Tehran never received the right response from Tokyo. Apparently the outlook in Tokyo had not altered from what it had been in the war period and Tykjo never made any attempt to take a closer look at the situation in Iran after the war when the country was preparing itself for the great task of reconstruction.

Whether this was due to miscalculated tactics or, as the radical groups in Iran believe, Tokyo had not yet received the green light from Washington, has not yet been clarified.

Be that as it may, Japan is now losing ground to Western countries which are very active in expanding their ties with Iran. But this does not mean that Japan is the odd man out in Iran, and there are still great opportunities for Japan provided it decides to make up for lost time.

### **Barzani's Call for Kurds' Return Criticized**

*91AS1009B Tehran KAYHAN INTERNATIONAL  
in English 18 May 91 p 2*

[Text] If Kurdish guerrilla chieftain Massoud Barzani is serious about the ongoing talks in Baghdad, he has helped in confirming fears about the future of this region. In short the leader of Iraq's Kurdish Democratic Party, is, surprisingly, going out of his way to tell the country's 3.5m Kurds that the element of danger has been removed. Finally, trust is established between Kurdish negotiators and President Saddam Husayn, or so it seems.

Since the second round of Kurdish-Ba'thist talks started last week, the KDP [Kurdish Democratic Party] boss for one more time Friday called on his refugees in Iran and Turkey to return to Iraq. "It is better for the Kurds to come back," Massoud, son of legendary guerrilla leader Mustapha Barzani said. He, however, is confident that Baghdad will eventually agree to some sort of United Nations presence in Northern Iraq. In other words, this only means that Barzani and his delegation are still strongly pushing for international guarantees for the safety and protection of the Kurds inside their own country.

Nearly two months after the first Iraqi human waves hit the Iran and Turkish borders, the two countries, a variety of humanitarian organizations and several U.N. agencies are in search of the right climate and conditions to send the 2m displaced lives back to their country. Regardless of the economic, political and social burden of the unprecedented influx, Tehran and Ankara are more interested in durable solutions to the present crisis even if that entails a long waiting period.

Precious and innocent human life is at stake and one can only hope Mr. Barzani is fully aware of where actually he is inviting his oppressed people. If the respected KDP chief is sure about his newly-founded trust and friendship with the despot in Baghdad, why is he pushing for outside guarantees?

There is all the reason in the world not to believe President Husayn. Only by the wave of his criminal hand he can erase and nullify any agreement he deems fit. Human life, morality, ethics and international norms are taboo for the man who kills and destroys at will. The international community in general and the Muslim people of Iraq are more than familiar about his extended exercises in brutality. The number of graves Saddam has filled in the two neighboring countries in the last decade are enough proof of what he is capable of and when.

It does not require too much imagination to understand Iraqi-related developments at this juncture. The three major parties to the conflict—Saddam, the Kurds and the U.S. want breathing room. Any agreement that addresses their immediate requirements even if on a very short-term basis would be welcome. The three

sides have their own special motives to work out a plan that can portray them as a winner.

Saddam wants to remain in power after being broken in the Persian Gulf war. Kurdish leaders believe this is the best time to activate a 1970 autonomy accord and get concessions from a defeated central government, while Washington wants time out from the self-created confusion to find some "acceptable" alternative to Saddam who by that time will have taken care of the "fundamentalists" in the south. After all a relative normalization in the Iraqi north and south will leave U.S. policymakers one less headache. American time and energy has to be focused on how best to impose its open-minded military presence in the volatile region!

The people and government of the Islamic Republic have done everything they can to assist the destitute Iraqis fleeing a ruler's wrath. We, more than anyone else, wish to see an early repatriation or resettlement of the Muslim Iraqis in dignity and security. With a mountain of issues not yet settled, encouraging the 2m plus refugees to return after having lost their near and dear ones is not a very wonderful idea. It is another invitation to future instability. The bottom line is not to make provisions for such large movements of people who have nothing to do with the politics of war.

**Economic Reforms Subject of Commentary**  
*91AS1009C Tehran KAYHAN INTERNATIONAL  
in English 20 May 91 p 2*

[Text] Most of the problems and hardship that Iran is suffering now in the economic arena are the direct consequences of the Iraq-Iran war and the decisions—sometimes radical and hasty—that the government instituted in the years after the outbreak of the war.

The government, however, should not be altogether blamed for some of the economic problems that the nation is grappling now as a result of its past wartime decisions. Since they were instituted under emergency conditions to protect the country and its people from forces that tended to jeopardize them then.

One of the decisions that the government is presently trying—and correctly so—to reverse is the question of ownership and centralization both of which gradually but surely led to the emergence of an intricate bureaucracy which can cause public discontent and resentment.

The idea of centralizing decision-making power as well as ownership into the hands of the government was taken with the clear benevolent idea of helping the people who had played a direct role in toppling the previous regime and replacing it by the Islamic Republic. But when the idea was put into action, the outcomes proved to be dismal and not to the liking of the government.

Back then in line with the idea of centralizing ownership, profit-generating firms in the manufacturing and service sectors were confiscated for the benefit of the nation as a

whole. But when these companies were put into the government ownership they lost their competitive edge, often their equipment were rendered obsolete,...and finally their productivity dropped.

Management in retrospect is blamed for much of the problems that emerged then. Most of these companies did not help the country and then became a nuisance and burden on the back of the government. And in short they prolonged a parasitic existence by taking money from the government.

Some of these confiscated companies became a pain in the neck in a dual way: they maintained existence by relying on badly-needed government money and second, by engaging in defective no-quality-control production that set a bad precedent for others to follow.

The disregard for quality by some of these manufacturing concerns became notorious. Taking advantage of the wartime emergency situation and the period after that they produced products that were highly inferior in quality and very expensive in price.

To reverse that trend the government has committed itself to the sale of state-owned assets—with the exception of strategic heavy industries—which amount to around 70 per cent of the overall national industry. Underlying the transfer of ownership to the private sector is the idea of freeing the government's hands so that it can get on with more important jobs.

To help it realize its development plans which require plenty of foreign exchange, the government has introduced changes in the field of exports too. Incentives have been provided to encourage the public to concentrate on exports and bring in scarce foreign exchange.

Comparable decisions have been made in the field of foreign investment so as to open it up. Unlike before, hurdles to investment in Iran by foreign firms have been removed all with the goal of taking advantage of their knowledge and expertise in areas the nation is hard pressed.

The idea of bringing the private sector into the industry is a good one. For one thing it absorbs the floating money that would otherwise be put in speculative enterprises such as precious metals, cars, land,... none of which is of any use to the general public.

It should, however, be noted that the government might face some difficulties in channelling the private sector's wealth into the industry, since the moneyed class has come to get used to quick, risk-free and large sums of profits and might resist the idea of making long-term investment.

All of the decisions made by the government are done with the intention of helping the man on the street, making life easier to him, creating economic mobility for him and in the final analysis to improve his lot.

But the government should be also watchful its decisions would not unduly reward the moneyed class at the expense of the poor. If it is not careful and does not study the consequences of its decisions regularly it might inadvertently contribute to the widening of the gap between the haves and have-nots who are already badly polarized.

### Clandestine Reports Possible Successor to Khamene'i

*TA0461154 (Clandestine) Iran's Flag of Freedom Radio in Persian 0330 GMT 4 Jun 91*

[Text] Political circles in Tehran are saying that the regime is seeking someone to succeed Seyyed 'Ali Khamene'i, who is suffering from liver cancer. These circles add that the Assembly of Experts will probably choose 'Ali Meshkini as Khamene'i's successor.

### Khamene'i on Growth of Islamic Movement

*LD0561137 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0930 GMT 5 Jun 91*

[Excerpts] His Eminence Ayatollah Khamene'i, the leader of the Islamic revolution, this morning met thousands of foreign guests taking part in the ceremonies marking the anniversary of the demise of the great leader of the revolution and founder of the Islamic Republic of Iran, His Holiness Imam Khomeyni, sanctified be his honorable soul. [passage omitted] We now draw your attention to the meeting.

[Begin Khamene'i recording; audience shouting unintelligible slogans] In the name of God, the compassionate, the merciful. [passage omitted welcoming guests] I deem it appropriate to say that looking at the world one feels that the great Islamic movement is growing bigger and stronger every day. Time is on the side of Islamic and spiritual values. The world Muslims have awakened and are awakening—whether the arrogant and bullies want it or not, whether America likes it or not. This is a reality that is happening. One should watch out for the dangers facing this phase. For centuries dictators, colonialists, bullying regimes, and enemies of Islam have weakened and degraded Muslims. Now that the movement is progressing toward the glory and awakening of the Muslims, no doubt the enemies are lying in ambush along the way. They should be watched.

I will mention one of the dangers; that is, disunity among Muslims, discord between various Islamic tribes and sects, rifts between Muslim peoples. Show me one place in the Muslim world where traitors are not bent on creating rifts and disunity. Where could one not see evil, arrogant planners using the simple-minded and the weak to serve their purposes?

Our immediate aim, our great step, is to create unity among Islamic tribes and sects and Muslim groups. The goal of some people is to deal blows to the glorious

Islamic movement by creating rifts. Identify them and fight them wisely. And if the Muslims are wise, have self-esteem, and believe in the glory of Islam and their own strength, no doubt this movement will attain its goals. [passage omitted again welcoming guests] Peace and God's mercy be upon you. [end recording]

### Tehran-Moscow Train Service Boosted

*LD0961136 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0930 GMT 9 Jun 91*

[Text] With the inauguration of another passenger train on the Tehran-Moscow route, which left yesterday with wagons belonging to the Islamic Republic of Iran's railway, Tehran-Moscow services have increased to two per week. According to the Islamic Republic of Iran's railway, on the basis of the new timetable, Tehran-Moscow trains, which previously only departed on Thursdays, will, starting from this week, depart every Saturday and Thursday and go directly to Moscow.

## PAKISTAN

### Indian Rejection of Sharif Plan Criticized

*BK1060445 Islamabad THE MUSLIM in English 9 Jun 91 p 6*

[Editorial: "Making a Virtue of Sullen Obstinacy"]

[Text] India's offhand rejection of the Nawaz proposals to de-nuclearise Asia is typically short-sighted and short tempered. Being instant, it lends weight to the suspicion that it is also devoid of much thought. One gets the impression the FO [Foreign Office] spokesperson in South Block of New Delhi had his gun at the ready to shoot it down the instant it got off the ground. And that he has done with no small relish. Reading the rejection statement, and reading between the lines, is an exasperating experience. Seldom had a foreign office come up with such frothy sophistry. The whole world is concerned about nuclear weapons, it says. Yes, that's true, the whole world. Does that really argue that unless the last government chose to do something about it, nobody should move the smallest finger? If this is logic, it must be that of the school of morons.

Now, whatever problem you have on your hands, you start somewhere, if you wish to solve it. Perhaps you first study it, and carefully. In Washington, the State Department spokesperson said, "We are studying the (Pakistan) prime minister's speech." The Indian spokesperson rejected the same statement, most probably without taking the trouble of reading it. The man in Washington said the speech "contains a number of positive elements". The gentlemen in New Delhi couldn't spot any suchs elements. He has made short work of the whole affair, saying there is nothing to warrant even passing consideration by India. But such ill-considered comment, however strongly and decisively worded, cannot

possibly be the final word of a responsible government. As a matter of fact, there is no government in New Delhi. It would have been perfectly in the fitness of things for the present administration to have refrained from categorical comment because a tentative government is obviously not in a position to be categorical about anything. In plain language, the Indian comment is a case of adolescent presumptuousness. Our Foreign Office needn't take it with any seriousness.

It may be said, however, that to argue that because the nuclear issue is a world issue, it cannot profitably be considered on a regional basis as a step towards the universal. Asia is a world by itself. And if Asian security is assured, it is unquestionably a mighty factor by all reckoning. In the past India has been procrastinating on this issue because of China's nuclear capability. Now that not only China but India's great friend and benefactor is also being brought into the picture, India should find no difficulty in seeing sterling progress in the appropriate direction. For anyone with even the most moderate measure of common sense, the Nawaz proposals for a move towards denuclearisation of Asia should provide a basis for the commencement of a worthwhile process. The parties invited are all heavyweights, including three of the superpowers, permanent members of the UN Security Council. India and Pakistan comprise the overwhelming majority of South Asia. The Nawaz proposals make an unmissable mention of the interests of the totally non-nuclear nations of Asia as well. So nobody relevant to South Asian security is left out of the framework of the Nawaz proposals. To pretend inability to see any positive element in this initiative from Islamabad is no better than being a spoilsport and a rather clumsy one at that.

#### THE NATION Assesses Ties To Post-Gandhi India

BK2705100191 Lahore THE NATION in English  
26 May 91 p 4

[Editorial: "Pakistan-India Relations After Rajiv"]

[Text] The question being asked in Pakistan, in the aftermath of Rajiv Gandhi's assassination, is: will it affect the politics of the Sub-continent? And if so, what will be its fallout on Pakistan? The reason why this question is being asked is that the foreign policies of all countries of the region, including those of Pakistan, get influenced to a greater or smaller degree by the thinking of those who hold power in New Delhi. For example, if there is a internally weak government in New Delhi, as was the case with the two Janata Dal coalition governments there, then the chances are that India would not like to be seen as weak in its dealings with its traditional rival—Pakistan. It would obviously not let its detractors pick on any gesture or act done or contemplated by it, to malign it in the eyes of the Indian public. It is only a strong government that can afford to pursue a policy of accommodation, provided, of course, it finds that to be in India's long-term interest. That is not to say that the

quality of leadership is not an important factor in all this. It is. But the pressures on a weak government (like that of V.P. Singh) are more. On the other hand, an Indian leader with an absolute majority, as Pandit Nehru had, may refuse to deal in a balanced way with his neighbours. He may be suffering from delusions of grandeur in his foreign policy. Military occupation of Kashmir Valley, on the one hand and military defeat of India at the hands of the Chinese, on the other, were both results of Nehru's megalomania.

The world has changed a lot since then, but for a time Rajiv Gandhi looked like carrying the same delusions of his grandfather. He sent forth his armies on a number of external adventures. So the outcome of the present elections in India is important. If Congress-I comes into power, but with a reduced majority, it may find itself unable or unwilling to settle bilateral disputes. Only if it sweeps the polls it may be able to hold meaningful talks. On the other hand, if a BJP [Bharatiya Janata Party]-supported government comes to power. Pakistan may be in for a tough time. But Pakistan may be able to face such a situation if it remains internally united. It should have all shades of public opinion supporting the government's foreign policy. Democracy and its institutions should be strengthened. But the IJI [Islamic Democratic Alliance] government on its part has also to see that it is fair and equitable in its internal policies, specially in its dealings with the opposition.

#### PDP Chief Nasrullah Advocates National Government

9IAS1065B Islamabad THE MUSLIM in English  
9 Jun 91 pp 1, 9

[Article by Ashraf Hashmi: "Nasrullah Advocates Formation of National Government"]

[Text] Islamabad, June 8: PDP [Pakistan Democratic Party] chief Nawabzada Nasrullah Khan expressed grave concern over the fast deteriorating law and order situation in all the four provinces. He demanded replacement of the present federal government with a national government. This, he said, was the only answer to counter the dangerous situation with the nation faced today.

Talking to a group of correspondents here on Saturday, he pleaded for a change within the system. He said "if we want to block the way of any adventurist we have to restore the confidence of the people in the democratic set-up which could only be possible by forging a national consensus. [quotation marks as published]

The integrity of the country, he said, was at stake and the present government was not competent to resolve the mounting national and international problems.

He said at a time when we were under economic pressures from international agencies like the IMF, another serious threat was emanating from India where the fall of

a secular party (Congress-I) was giving birth to a chauvinistic Hindu leadership which openly stood for total elimination of the Indian Muslims.

Talking about the possibility of the imposition of Martial Law in the country, he said Martial Law did not seek anybody's permission. "Throughout my life, I struggled for democratic values and institutions," he said and added that the nation could only block the way of any adventurist if it is led by a collective leadership.

Commenting on the bugging incident in the former Prime Minister's hotel room, the PDP leader described it as the most unfortunate and said that it was enough to expose the inherent weakness of the present government which, he alleged, came to power as a result of the 'rigged' elections.

Nawabzada Nasrullah had two separate meetings with the NPP [National Progressive Party] leader Ghulam Mustafa Jatoi. He first went to his hotel in the morning and later the former Prime Minister along with dissident members of the IJI [Islamic Democratic Alliance] Zahid Sarfraz came to see the PDP leader at the latter's residence.

When asked to comment on his meetings with the NPP leader Nawabzada Nasrullah said they discussed the prevailing political situation.

Incidentally when Mr. Jatoi came to see the Nawabzada the latter was already surrounded by the correspondents. When one correspondent asked Mr. Jatoi to comment on the assessment made by the PDP leader that only a collective leadership could be an answer to the prevailing situation he said though he never differed with the views expressed by the veteran leader but he himself preferred to remain silent.

He said he had a meeting with President Ghulam Ishaq Khan on Saturday. The President, he said, had expressed concern over the bugging incident.

### Middle Class Seen Divided by Ethnicity

*9IAS1057E Karachi DAWN in English 3 Jun 91 p 13*

[Article by Mushtaq Ahmad: "Middle Class in Ethnic Divide"]

[Text]

[Box] If middle class representation in the legislatures is nominal, it is not because of the shyness of the intelligentsia to stay out of politics but a revulsion for the brand of politics practised by the politicians of the country, who stop short of nothing in playing the game according to their own rules.[end box]

In the evolution of democracy the intelligentsia everywhere has played a vital and decisive role. Its role was expected to be no less vital and decisive in the establishment and working of the institutions of self-government in the newly independent states of the Third World,

including our own. A universally entertained expectation was found to be totally baseless. It is an irony of history that after a lapse of four and a half decades, the middle class in Pakistan has acquired no significant say in running the affairs of the country. However loud may be its voice outside the corridors of power, inside its precincts it is not even a mild whisper.

Only men of intellectual honesty and moral integrity could handle the arduous responsibility of legislation, demanding from the legislators a wealth of sympathy and imagination. Their discovery was the principal concern of the art of politics. Legislative talent could obviously come from the class that had made the greatest contribution to the success of the freedom movement by its unremitting organisational effort and fearless articulation of the right of self-determination.

To the untutored masses who had offered the heaviest sacrifice in the struggle, its services were a source of boundless inspiration and an abiding symbol of hope. And yet, soon after the accomplishment of the mission the sacrifices of one and the services of the other, were consigned to the limbo of forgotten memories to be recalled and recorded by the historians in the future. The seizure of state power by a body of men with a minimal share in the achievement of freedom, had denied its true architects the opportunity to build the institutions of democracy visualised by the father of the nation. This glaring contradiction in our politics before and after independence, was inadvertently mentioned by the Chief Minister of the Punjab in a recent statement before a Pakistani audience in Jeddah prior to his departure for Pakistan.

For Ghulam Hyder Wyne who heads a landlord ridden province as its chief executive to declare in a faraway place that it is time the middle class was brought into the mainstream of politics was both a matter for surprise and an act of confession. Standing on the sidelines, it was a silent spectator of the ceaseless strife for power rather than a contender for it in the arena.

This gaping void in our politics has shown no signs of narrowing down but has witnessed a widening of its scope after the dismemberment of the country. There are fewer lawyers in the legislatures now and a higher percentage of the feudals, who are firmly entrenched in power than in the past. The occupational breakdown of the members of the federal and provincial assemblies would at once reveal that we have moved backwards instead of moving forward, notwithstanding a fractional representation of the class from urban Sindh. Even the intelligent and knowledgeable members who have made their appearance and occasionally make their presence felt in the National Assembly by their orations on foreign policy, belong to the upper strata.

If middle class representation in the legislatures is nominal, it is not because of the shyness of the intelligentsia to stay out of politics but a revulsion for the brand of politics practised by the politicians of the country, who

stop short of nothing in playing the game according to their own rules. While no politics is ever completely free from its seamy side, ours is vitiated by endless manipulations and intrigues, selfishness and greed and, therefore, staunchly resistant to any change that can impart a sense of purposeful direction. Only a middle class leadership is capable of diverting its flow into constructive channels. With these channels choked by irremovable feudal obstructions, the question of any reform or progress simply does not arise, not at any rate, in the foreseeable future through recognised procedures of law-making. The politicians shouting for their pressing urgency from house tops do so out of sheer expediency. Even if they are in a hurry to enact the laws, in their implementation they are rarely serious.

Whatever be the views of individuals in the ruling class and however highly placed they might be in the power structure, the hierarchy as a whole, will never reconcile itself to a relaxation of its hold on the machinery of government by permitting outside intrusion into what it considers to be its exclusive preserve. A class confrontation would have been the inevitable outcome of the monopoly of power by the privileged few. For lack of such a consummation explanations must be sought in the character of society whose contradictions have not so far been resolved nor is there a tendency to resolve them.

The power structure in Pakistan must undergo a revolutionary change in its class composition. Being both the progenitor and the product of progress, the middle class alone can accelerate its pace. And since progress cannot come to a standstill without arresting the forward march of history, it would only be abdicating its historic role by wearing the garb of a passive onlooker of the disturbing developments that continually rock the boat. The French Revolution which was a watershed between the medieval age and modern times was not a sudden outburst of an enraged population. The ground for it had been prepared by the emergence of a new class without a hereditary bias or base.

It was a struggle between the forces of reform and reaction, culminating in the destruction of the ancient regime and a transition from a static to a dynamic society not only in France but eventually in the rest of the world. Liberty, equality and fraternity which was its clarion call reverberating all over Europe, was also the moving spirit behind the revolution that brought Pakistan into existence. The Quaid-e-Azam had recalled these words in his reply to the first French Ambassador after he had presented his credentials. That was in January 1948. In May 1991 they sound like empty slogans repeated ad nauseam by politicians of the IJI [Islamic Democratic Alliance] and the PPP [Pakistan People's Party] from public platform meant only to influence the voting behaviour of the masses.

Strangely enough, the chief minister of Punjab who talked about middle class participation in politics for the reinvigoration of the process, in a statement issued on the same day praised the government of his own party at

the Centre for the passage of the Shariat Bill, provincial consensus on the Water Apportionment Accord, and their agreement on the Finance Commission Award. These according to him, were solid achievements for the party to win the next election, and that the parties which had exploited the sentiments of masses in the last election, should have no electoral illusions about staging a comeback. He had the People's Party in mind. These achievements, whatever their worth to the provinces and appeal to public imagination have no direct bearing on the quality of life of the people. For the enactment of social legislation to transform the quality of life, middle class participation is the first pre-requisite.

The dominance of the landed aristocracy is responsible for the absence of the intelligentsia from the political spectrum. The former will not part with its control and ownership of the land without legislating itself out of power. The present composition of the National Assembly or, for that matter, provincial assemblies does not entitle them to be called the Third Estate representing the people. They are the second estate representing the nobility backed by the first, the clergy if such a nomenclature is permissible in our context. While we do not have an institution of this kind in Islam, a priesthood claiming to be the sole interpreter of the divine law had made its appearance long ago in Muslim societies, and now it is desperately seeking to assert its identity in politics through the gateway of religion.

The Third Estate cannot come into existence unless the predominance of the first two is not eliminated, and slashed to its ratio in the population. During the French Revolution the Estates General adopted a resolution declaring that as representatives of more than ninety-nine percent of the people of France, it was the sole spokesman of the nation, conferring upon itself the nomenclature of the National Assembly which is also the designation of our own Assembly and the Assemblies of many other countries in the democratic world.

With the middle and the lower classes practically unrepresented, the National Assembly can only represent the will of a particular class and not the general will of the masses. The social order in Pakistan is rigid and stratified. The new class of the new rich is not comparable to the French bourgeoisie of the eighteenth century which, while envious of the rank status of the nobility, was self-made and willing to take up the cudgels on behalf of the under-privileged to destroy the hegemony of the privileged class. Our counterpart revels in the life of luxury and splendour. For it the glamour of leadership has no attraction and appeal. Between the old hereditary landed aristocracy and the new capitalistic oligarchy not much love is lost.

The middle class is left to fend for itself in a climate of opportunism from which it can draw no strength and solace. Opportunities of employment being restricted by the slow pace of development and private service. In each province it is a class unto itself, fighting for its economic survival. Non-existent at the national level, it

has developed a provincial outlook and prejudice to claim a share which the quota system has failed to define and improvised no built-in devices to check its defiance. One finds little in common among the middle classes of the Punjab, the Frontier, Balochistan and Sindh. Caught in the vortex of ethnic strife and confrontation, like the rest of the classes in the upper crust, it cannot function as a unifying force in politics, its role in politics as a vehicle of reform and progress is therefore simply unthinkable.

### Commentary Views 'Hypocrisy' in Jatoi Bugging Case

9IAS1065A Islamabad THE MUSLIM in English  
9 Jun 91 pp 1, 10

[Article by A.B.S. Jafri: "Mr. Jatoi Confuses the Real Issue"]

[Text] The Jatoi bugging affair leaves one with the feeling of having sat through a comedy, well rehearsed but a rather amateurish script. In the first place, it is not clear what the playwright was really aiming at, beyond display of injured innocence. But that he was aiming at something is beyond any doubt. Perhaps the days to come will reveal the real plot of the play.

To express uncontrollable astonishment over the existence of a crude system of surveillance, in operation with cavalier disregard of common decencies, one would need the preternatural (or pretended) ignorance of Mr. Ghulam Mustafa Jatoi. It reminds of Babu Rao Patel, the legendary editor of Bombay's pioneering magazine FILMINDIA. To a reader's query why kissing was not permitted on Indian screen, Patel assured "why worry, it goes on all the time behind the screen?" Mr. Jatoi must be the only innocent in our political life not to know this much.

This is quite a farce. The only factor which prevents a full-throated guffaw is the hypocrisy that surrounded Mr. Jatoi's screams, the government's protestations of innocence, the DIB's assertions of total non-involvement of his outfit and somewhat less strident mumblings in other quarters. Thank goodness, it didn't occur in

Karachi otherwise the hawk-eyed Jam would have established Benazir's or Asif's hand in it.

The people in the profession of journalism would find the row wholly unwarranted. This kind of bugging, shadowing, eavesdropping, trespass on private premises, 'phonetapping is quite normal and familiar experience. Until not long ago, to be a newsman was scarcely better than a proven Indian or Soviet lackey. There were more Dulleses and MacArthys in Pakistan than in Eisenhower's U.S. or Adenauer's West Germany. Those of us who wished to play safe quietly joined the ranks of the pious. That, too, was an open secret. It must be said that much of it was fairly friendly between those informing and those being informed against!

The Jatoi comic has some interesting aspects. Why did the lord and master of Ketti Jatoi have to kick up this row, at this particular moment? He must know that the shrapnel from this blast embarrasses the Nawaz Sharif premiership very profoundly. The target obviously is not the planters of the listening device (assuming there was such a plant) but the Prime Minister whose way Mr. Jatoi cleared with such a show of sincerity. If the government has done such a terrible thing to him, should Mr. Jatoi not part company with such a bunch of clandestine, creeping criminals? He hasn't done anything of the kind. Why must it remain an unsavoury mystery, until it is unveiled?

More important is the lesson to be drawn from this rather distasteful episode. And that it is simple enough. We have had more than our share of this unlovely business of secret intelligence agencies spying on perfectly decent and law-abiding citizens while we are frequently told of the intrusions into the deepest recesses of our social structure by agents of the dreaded RAW, CIA and not the least, the terrible Mossad.

Secret intelligence services are an integral part of a modern state apparatus. They are needed. They are vital to the security of the state. Where we abuse these agencies most unjustly is when we employ them to play dirty political tricks and, one might suspect, at the cost of their functions as true security services. The genuine function of secret services is to guard the security of the state and not to bully and terrorise law-abiding citizens, notable politicians and the media people.

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